

support of the delivery of Federal student financial assistance to conduct these activities within a standard setting organization.

“(3) The Chief Operating Officer may pay necessary dues and fees associated with participating in standard setting organizations pursuant to this subsection from funds available under subsection (j).

“(e) PROCEDURES FOR ADOPTION AND IMPLEMENTATION OF VOLUNTARY CONSENSUS STANDARDS.—In adopting voluntary consensus standards and implementation timetables under this section, including modifications of existing standards, the Secretary shall follow the procedures for negotiated rulemaking in section 492.

“(f) INITIAL VOLUNTARY CONSENSUS STANDARDS TO BE ADOPTED.—Through coordinated participation between the Chief Operating Officer and standard setting organizations, the initial standards adopted by the Secretary shall include the following:

“(1) ELECTRONIC PERSONAL IDENTIFIER NUMBER.—The Secretary shall adopt standards for a single electronic personal identifier number for students receiving assistance under title IV.

“(2) ELECTRONIC SIGNATURE.—The Secretary, in coordination with the Secretary of Commerce, shall adopt standards specifying procedures for the electronic transmission and authentication of signatures with respect to transactions requiring a signature under title IV.

“(3) SINGLE INSTITUTIONAL IDENTIFIER.—The Secretary shall adopt standards for a single identifier for eligible institutions under title IV.

“(g) USE OF CLEARINGHOUSES.—Nothing in this section shall restrict the ability of participating institutions and lenders from using a clearinghouse to comply with the standards for the exchange of information established under this section.

“(h) APPLICABILITY TO CURRENT SYSTEMS.—

“(1) GENERAL RULE.—Except as provided in paragraph (2) and (3), this section shall apply to all Department of Education information systems supporting the delivery of programs under title IV no later than 12 months from the date of enactment of this part.

“(2) NATIONAL STUDENT LOAN DATA SYSTEM.—This section shall apply to sections 485B(e) and (f) no later than 18 months after the date of enactment of this part.

“(3) INTEGRATED POSTSECONDARY EDUCATION DATA SYSTEM.—The Secretary shall coordinate the adoption of voluntary consensus standards under this section to ensure that standards are compatible with the integrated postsecondary education data system (IPEDS).

“(i) DATA SECURITY.—Any entity that maintains or transmits information under a transaction covered by this section shall maintain reasonable and appropriate administrative, technical, and physical safeguards—

“(1) to ensure the integrity and confidentiality of the information; and

“(2) to protect against any reasonably anticipated security threats, or unauthorized uses or disclosures of the information.

“(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated in any fiscal year or made available from funds appropriated to carry out activities in this section in any fiscal year such sums as may be necessary to carry out the provisions of this section, except that if no funds are appropriated pursuant to this subsection, the Secretary shall make funds available to carry out this section from amounts appropriated for the operations and expenses of the Department of Education.

“(k) DEFINITIONS.—For purposes of this section:

“(1) The term ‘voluntary consensus standard’ means a standard developed or used by a standard setting organization accredited by the American National Standards Institute.

“(2) The term ‘standard setting organization’ means a standard setting organization accredited by the American National Standards Institute that develops standards for information

transactions, data elements, or any other standard that is necessary to, or will facilitate, the implementation of this section.

“(3) For purposes of this section, the term ‘clearinghouse’ means a public or private entity that processes or facilitates the processing of nonstandard data elements into data elements conforming to standards adopted under this section.”

The CHAIRMAN. Are there any amendments to title 1?

AMENDMENT NO. 3 OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. PAUL:

Page 50, line 13, at the end of paragraph (1) add the following new sentence: “The Secretary shall not use the social security account numbers issued under title II of the Social Security Act as the electronic personal identifier, and shall not use any identifier used in any other Federal program as the electronic personal identifier.”

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Chairman, this amendment is not a complex amendment. It merely states that Social Security numbers cannot be used to identify the individuals who will be participating in this program.

This is a common practice, obviously, today. The Social Security number is used just for about everything. As a matter of fact, many Americans think way too often.

There are 40 Federal programs now where the Social Security number is required. Not only that, the Federal Government now has been mandating the uses of the Social Security number for similar purposes even on State programs such as obtaining our driver’s license.

The concern that I have and that many Americans have is that government is too intrusive, wants too many records and knows too much about everybody. The government and non-government people can get our names and they can get our Social Security numbers and find out more about us than we know about ourselves, and that is not the intent of our Constitution. It certainly is not the intent of the Privacy Act.

The Privacy Act concerns were expressed through this legislation in 1974 stating that, yes, we have overstepped our bounds, there is too much intrusiveness, and we are moving in the direction of a national identification card, something that is unknown and should be unheard of in a free society.

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We should not have an identity card to carry our papers to get jobs, open bank accounts, move about the country, but we are moving rapidly in that direction. This is a token effort to make this point and require the government to use some other identification method for this program. It can be

done. There is nothing sacred about the Social Security number. The program can be run without the use of Social Security.

I would like to just read very briefly some passages from the Privacy Act of 1974 to make my colleagues stop and think about what we are doing.

“It shall be unlawful for any Federal, State or local government agency to deny any individual any right, benefit or privilege provided by law because of such individual’s refusal to disclose his Social Security number.”

If one does not give his Social Security number, one is in big trouble in this country. One cannot even get out of the hospital if one is born without a Social Security number, and one cannot open up a savings account for a child if one does not have a Social Security number. One is not even allowed to die at this time without a Social Security number, because one needs a Social Security number on one’s death certificate. Talk about cradle to grave.

“Any Federal, State or local government agency which requests an individual disclose his Social Security number shall inform that individual whether that disclosure is mandatory or voluntary, by what statutory or other authority the number is listed and what uses will be made of it.” We do not have that happening. Numbers are just demanded, and too many people have complied with it, and we go along with it, but more and more Americans are getting upset with this monitoring of everything that we do through the Social Security number.

Every single government program is now requiring it. Like I said, there are 40, 40 programs. Immigration, think about how the immigration programs are monitored through Social Security numbers. There have been attempts to use the Social Security number to monitor people in their voting. We do not need this. We do not need more government surveillance in promoting this kind of a program. The program can survive, can work.

Some would argue, well, possibly, just possibly, the efficiency of the program may be diminished. That will be the argument that I will probably hear. The efficiency of the program will be diminished. Well, if this is the argument, then we are saying that we are here to protect the efficiency of the State. I see an important role for us to be here is to protect the privacy and the civil liberties of the citizen. So we are in conflict. Which should our role be, to protect privacy and civil liberties, or is it to protect the efficiency of the State?

Well, it is not difficult for me to figure that out, and it is not like I am saying this program would not exist, it is just saying that we will put a small amount of surveillance on this where the government is not so casual in expanding its role for the Social Security number.

In the Privacy Act of 1974, in the findings, they made a comment which I

think is very important, and this is in 1974 when it was not really bad. "The Congress finds the opportunities for an individual to secure employment, insurance and credit and his right to due process and other legal protections are endangered by the misuse of certain information systems."

I ask my colleagues to support this amendment. This is a positive amendment; this is an amendment to protect civil liberties of every American.

Mr. McKEON. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Mr. Chairman, I agree with many of the things that the gentleman from Texas (Mr. PAUL) has said, and I agree that we have to be alert and vigilant in seeing how the government can impose itself in our lives, but this use of a Social Security number is not new, it has been used for identifying student loan applications since the inception of the program.

I would like to make just a couple of points as to why it is important to have it. It is good to know who we are giving the money out to, especially when we want to collect on the loans. Information provided by students and families in order to receive Federal aid is based on income information which is verified against IRS records to prevent fraud and abuse in the student aid programs.

I think while there are concerns about the intrusiveness of government, there are also a great many concerns as to fraud in programs. It is important that we protect against fraud and abuse in these programs. This is very important to use the Social Security number to do that.

Applications are also matched with the Social Security records to make sure the person applying for aid has a valid Social Security number. I know the gentleman has made point of the fact that we put a Social Security number on death certificates. That is so that when people die, we make sure that they do not apply for student aid. I think that is an important thing to do.

This check is also done to ensure that the correct person is using his or her correct Social Security number and not a fraudulent number.

Social Security numbers are also used for skip tracing in tracking down the current addresses of student who are delinquent or who default on their loans so that they can be contacted to repay the debt. This practice saves taxpayers millions of dollars. I think it is incumbent upon us to be very diligent in the use of taxpayer dollars.

The safeguards afforded the student loan program and the taxpayer by allowing the use of Social Security numbers should not be done away with until such time as another viable alternative exists for matching records and verifying information, which is critical to preventing fraud and abuse in the Federal student aid programs.

While I agree with some of the gentleman's concerns, I think it is very

important that we defeat his amendment and use the Social Security number to make this program viable.

Mr. KILDEE. Mr. Chairman, I move to strike the last word.

I know the gentleman from Texas (Mr. PAUL) is very sincere on this; I have talked to him, and I know the issues. But really, the purpose of using the Social Security number in these instances is really to prevent fraud and abuse.

We have millions and millions of dollars involved in these programs to assist students to go to college, and I think that the taxpayers certainly are willing to have a person use their Social Security number to make sure that there is no fraud and abuse in this program. I think it is very important. I just filled out my income tax a few weeks ago, and put my Social Security number on the income tax and did not feel threatened by that. So I would oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 411, further proceedings on the amendment offered by the gentleman from Texas (Mr. PAUL) will be postponed.

Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

**TITLE II—POSTSECONDARY EDUCATION IMPROVEMENT PROGRAMS**

**SEC. 201. URBAN COMMUNITY SERVICE.**

(a) DESIGNATION OF TITLE.—The Higher Education Act of 1965 is amended by inserting at the end of title I (20 U.S.C. 1001 et seq.) the following:

**"TITLE II—POSTSECONDARY EDUCATION IMPROVEMENT PROGRAMS".**

(b) REDESIGNATION AND TRANSFER OF URBAN COMMUNITY SERVICE PROGRAM.—

(1) INTERNAL CROSS-REFERENCES.—Part A of title XI is amended—

(A) in section 1102(b), by striking "section 1104" and inserting "section 204";

(B) in section 1104(12), by striking "section 1103(a)(2)(B)" and inserting "section 203(a)(2)(B)"; and

(C) in section 1108(1), by striking "section 1103" and inserting "section 203".

(2) REDESIGNATION.—Part A of title XI (20 U.S.C. 1136 et seq.) is redesignated as part A of title II, and sections 1101 through 1109 are redesignated as sections 201 through 209.

(3) TRANSFER.—Part A of title II (including sections 201 through 209), as redesignated by paragraph (2), is transferred to immediately follow the heading inserted by subsection (a) of this section.

(4) REPEAL.—Part B of title XI (20 U.S.C. 1137 et seq.) and the heading of title XI are repealed.

(c) ALLOWABLE ACTIVITIES.—Section 204 (as redesignated by subsection (b)(2)) is amended by adding at the end the following new paragraph: "(14) Improving access to technology in local communities."

(d) DESIGNATION OF URBAN GRANT INSTITUTIONS.—Section 207 (as redesignated by sub-

section (b)(2)) is amended by adding at the end the following new sentence: "The information developed as a result of this section shall be made available to Urban Grant Institutions and to any other interested institution of higher education by any appropriate means, including the Internet."

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 209 (as redesignated by subsection (b)(2)) is amended by striking "1993" and inserting "1999".

**SEC. 202. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.**

(a) REDESIGNATION AND TRANSFER OF PROGRAMS.—

(1) REDESIGNATION.—Part A of title X (20 U.S.C. 1135 et seq.) is redesignated as part B of title II (as amended by section 201) and—

(A) sections 1001 through 1003 (20 U.S.C. 1135 et seq.) are redesignated as sections 221 through 223; and

(B) section 1011 (20 U.S.C. 1135a-11) is redesignated as section 224.

(2) TRANSFER.—Part B of title II (including sections 221 through 224), as redesignated by paragraph (1), is transferred to follow part A of title II.

(3) REPEAL.—Section 1004 and parts B, C, and D of title X (20 U.S.C. 1135a-3, 1135e et seq.) and the heading of title X are repealed.

(b) ENDOWMENT GRANTS.—Section 221(a) (as redesignated by subsection (a)(2)) is amended—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(9) awarding an endowment grant, on a competitive basis, to a national organization to enable such organization to support the establishment or ongoing work of area program centers that foster the development of local affiliated chapters in high-poverty areas to improve graduation rates and postsecondary attendance through the provision of academic support services and scholarship assistance for the pursuit of postsecondary education."

(c) SPECIAL PROJECTS.—Section 224 (as redesignated by subsection (a)(2)(B)) is amended—

(1) by striking paragraphs (1), (2), and (3) of subsection (c) and inserting the following:

"(1) institutional restructuring to improve learning and promote productivity, efficiency, quality improvement, and cost and price control;

"(2) articulation agreements between two-year and four-year institutions;

"(3) evaluation and dissemination of model programs; and

"(4) international cooperation and student exchange among postsecondary educational institutions."; and

(2) by striking subsection (d).

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) COMBINATION OF SUBPARTS.—Part B of title II (as redesignated by subsection (a)) is amended by striking the subpart designations and headings.

(2) AUTHORIZATION.—Part B of title II (as so redesignated) is amended by adding at the end the following:

"SEC. 225. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part \$30,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years."

**SEC. 203. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.**

(a) REDESIGNATION AND TRANSFER OF PROGRAMS.—

(1) REDESIGNATION.—Part E of title X (20 U.S.C. 1135g) is redesignated as part C of title II and section 1091 is redesignated as section 231.

(2) TRANSFER.—Part C of title II (including section 231), as redesignated by paragraph (1), is