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House of Representatives

The House met at 10 a.m.

Rabbi Ronald D. Gerson, Congregation Children of Israel, Athens, Georgia, offered the following prayer:

O Lord, Ruler of our Nation and all nations, gathered in this hallowed Chamber, the indomitable spirit of Columbus, remembered this week, should move both legislators and constituents. It reminds us how the quality of exploration has crowned our country's past and emboldened its future with hope, enriched by the monumental vision of our Founding Fathers who were inspired by Thy holy word.

May we in this land continue our exploration. May we continue to reach new destinations of justice and peace in our Nation and in the world.

Heavenly Father, as we strive to new horizons in our country's glory, guide us through the admonition of the prophet Mica to do justly, to love mercy, and to walk humbly with our God.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas (Mr. LAMPSON) come forward and lead the House in the Pledge of Allegiance.

Mr. LAMPSON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. There will be 15 one-minutes on each side.

WELCOMING RABBI RONALD D. GERSON, GUEST CHAPLAIN

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, the prayer this morning was offered by Rabbi Ronald D. Gerson, who comes to us today from my district in Athens, Georgia, the largest city in the Eleventh District of Georgia. Rabbi Gerson has been a rabbi for a quarter of a century and now serves at Congregation Children of Israel in Athens, Georgia. I am delighted to introduce him to the House of Representatives and thank him for his inspiring words of prayer for today's session.

Rabbi Gerson has devoted his life to public and spiritual service, and I was honored to first meet Rabbi Gerson when I visited his congregation a couple of years ago. I want to also recognize his wife and daughter and brother-in-law who are visiting today also, and I have been informed that Rabbi Gerson's mother, who lives in California, is probably watching her son at the early hour of 7 a.m. on the West Coast.

His knowledge of the tradition of faith and his ability to share his understanding of it with others has found an appreciative audience in Georgia and today across the country and the world as he carries the eternal message to others. I am proud to share the floor with Rabbi Gerson because of his religious convictions, his commitment to the service of others, and his faithful devotion to his congregation. I join all my colleagues in the House in thanking our distinguished guest chaplain for bringing us an inspirational message to commence this day of the House session.

SAVE AMERICA'S SCHOOLS FROM VIOLENCE

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, all of us are duly concerned about the alarming rise in school violence, and I am pleased to report that the American Medical Association Alliance in conjunction with the New York State Medical Society is resolved to do something important about it. Today, communities throughout our Nation are joining in announcing this new program, Save America's Schools From Violence, which recognizes that guns in the playground are only a part of the problem. Solutions such as turning off violent television programs, ignoring music with violent or provocative lyrics, avoiding violent videos and computer games and engaging in constructive play will be encouraged throughout this 1-year initiative.

School violence takes many forms, from name calling, to pushing, to bullying. Over 3 million crimes were committed against teenagers in schools in 1996 including robbery, theft, vandalism, rape, sexual battery, and physical attacks. The American Medical Association Alliance's goal is to make our schools a safe place for our children to learn to play and grow by sending the positive message that violence in our schools is unacceptable.

COMMENDATION OF DR. BERNARD MILSTEIN

(Mr. LAMPSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMPSON. Mr. Speaker, 20 years ago a person of vision saw a way to improve the sight of many residents. With his foresight and dedication the Gulf Coast branch of Prevent Blindness

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Texas was formed and began its mission. Tonight, the Gulf Coast branch will proudly celebrate its 20th anniversary with a gala event, and on this occasion the founder of the Gulf Coast branch of Prevent Blindness, Dr. Bernard Milstein, will be honored as this year's person of vision. I commend Dr. Milstein on this wonderful honor.

Prevent Blindness Texas is the largest voluntary health organization in Texas that takes proactive measures in the prevention of blindness. Over the years Prevent Blindness Texas has provided free vision screening to almost one million Texas preschoolers and screened well over 650,000 adults for blinding glaucoma. The Gulf Coast branch alone screened nearly 2,100 adults and children during the last fiscal year. Nearly 500 Galveston residents were provided free eye exams and glasses from this branch last year, almost doubling the prior year.

This organization exists without government funding or United Way funding because of the generosity of people who share in its vision of saving sight. Funds are raised locally and work locally. My heartiest congratulations to Dr. Bernard Milstein and to Prevent Blindness Texas.

PRESIDENT'S COMMITMENT JUST AS EMPTY AS H.R. 1

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, it has been now 10 months since the White House Conference on Social Security. During that conference we pulled together, the President pulled together, much to his credit, leadership from both sides of the aisle, the leadership in both parties. The chairman and the ranking member on the Committee on Ways and Means came together. I was there as a chairman of the Subcommittee on Social Security, and we promised to work together in order to save Social Security.

The President at that point made a commitment to us that he wanted to take the lead and that he would be sending us legislation. Mr. Speaker, today that commitment is just as empty as H.R. 1, which was reserved by the Speaker of this House to place the President's Social Security bill, the Social Security reform bill, in place in order to save Social Security for this country. We have been reaching out in a bipartisan way to the Democrat side in order to do that.

Mr. Speaker, it is time now for the President to come forward and give the leadership that this country needs to save Social Security.

SAVE TODAY

(Mrs. CAPPS asked and was given permission to address the House for 1 minute.)

Mrs. CAPPS. Mr. Speaker, Congress may be struggling to fight against violence affecting our young people, but our communities are doing something about it. Today in San Luis Obispo, California, and around this Nation, the American Medical Association Alliance is kicking off its save schools program.

SAVE, which stands for Stop America's Violence Everywhere, began in 1995. This year the AMA alliance will focus its efforts directly on our schools. In my district, the San Luis Obispo Medical Society Alliance will team up with the local high school students and a local homeless shelter. Dedicated teenagers will mentor younger children in need and help them learn to resolve their conflicts peacefully.

Mr. Speaker, I am especially proud that the national president of the AMA Alliance, Ann Hansen, lives in my district. I join Ann in offering this rallying cry in the fight against school violence. Save today.

PRESIDENT'S SCHEME TO RESTRICT ACCESS TO PUBLIC LANDS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, America's public lands are vital to the future of this Nation, and I have very serious concerns about the President's new scheme to restrict access to these public lands. Most Americans recognize the value that public lands hold for its natural resources as well as the use and development of those natural resources for the quality of life we all enjoy, and no one can deny the opportunity that public lands hold for recreation.

Since these lands are in the public domain, individual costs are low and the lands are generally open for all of us to use and enjoy. Now we are seeing a fundamental shift in how our lands are managed for our access. Historically, we have allowed the public to access our lands in the public domain, but unfortunately it appears the President is setting a trend toward keeping our public lands closed unless posted open. This scheme is completely unacceptable to all Americans who use our public lands. To say the public cannot access their lands unless the Federal Government gives them permission is fundamentally opposite to the freedoms our country was founded upon.

I yield back, Mr. Speaker, the balance of the time I have and any access America has to its public lands.

DAIMLER-BENZ, A GERMAN COMPANY?

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in the 1970s Congress bailed out Chrysler, and last year Chrysler merged with Daimler-Benz. Chrysler is now a German corporation, and upon merging they said Americans will always have a strong voice in the new company's leadership.

So much for the tooth fairy, Mr. Speaker. The three top American executives were replaced, and now the German company announced they will invest $28 billion, all of it in Germany.

What is next, Mr. Speaker? Mercedes-Benz limousines for our White House?

Beam me up.

I yield back the billions of dollars that Congress invested into what is now a German company.

NO TAX INCREASES OR RAIDS ON THE SOCIAL SECURITY TRUST FUND

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, notwithstanding the unwavering opposition of President Clinton and his free-spending allies in this Congress, American taxpayers are now enjoying a budget surplus for the first time in a generation. One might think that the President would be willing to share some of that surplus with working American families. After all, they created the surplus with their hard work and their tax dollars.

Tax relief perhaps? Not a chance. Incredibly the White House instead proposes either, A, more taxes or, B, a raid on the Social Security Trust Fund to pay for yet more government spending programs.

Mr. Speaker, this is one Member of Congress who is more than willing to stay here until Christmas if that is what it takes to stave off another tax grab by the Clinton administration or a raid on the Social Security Trust Fund. American families are taxed more than enough. Leave them alone, Mr. President, and keep your hands off their Social Security. Stop the raid.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair advises all Members to address their remarks to the Chair and not to the President.

EXPANDED INTERNET ACCESS IN WESTERN MASSACHUSETTS

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, the natural beauty of western Massachusetts is hardly a well-kept secret. We are attracting more people each day who seek the quality of life that is offered. However, there is something that we need in western Massachusetts that would make our lives even better, and what we want is the

high-speed Internet connections that our friends down the pike and in the Cape Cod area already have.

Our businesses, employers, and households have a serious interest in the Internet to win contracts, coordinate production and distribution, export entertainment, enhance education, and both to teach and learn at the best medical centers. Right now there are too few capacity Internet data trunks that make the trek from Boston to western Massachusetts. When we get a few high-capacity Internet trunks or backbones, as they are called, we can take it from there.

□ 1015

We already have excellent fiberoptics within my district. This is why I support legislation that provides an incentive that is needed for expanded investment in the Internet backbone into rural areas. Having a better choice provides those who seek it stronger data links that will make Western Massachusetts an even better place to live.

THE CAN SPAM ACT OF 1999

(Mr. GARY MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY MILLER of California. Mr. Speaker, I come to the floor today to address my bill, H.R. 2162, the Can Spam Act. Spam are the millions of unsolicited commercial e-mail messages clogging up computer networks and the entire information superhighway. Thirty percent of sample is pornography. Another 30 percent is get-rich-quick schemes, and much of that is targeted towards senior citizens.

In effect, spam levies a tax on all Internet consumers by causing ISPs to spend money on additional bandwidth, hardware, as well as time and staff to deal with the bulk commercial e-mails. The increased costs are passed on to consumers.

America Online estimates that 30 percent of their costs are associated with spam. This cost is passed onto consumers. That is like getting a postage due letter that you do not want and being forced to pay for it.

To combat this problem, I have introduced the Can Spam Act. This bill gives ISPs a civil right of action against spammers who violate their published policy prohibiting spam. They can litigate for $50 per message, up to $25,000 per day for damages. That would also levy penalties on spammers who hijack another person's domain name for the purpose of sending out unsolicited commercial e-mail.

We need to defend our constituents and the businesses in our districts from commercial advertising.

HIGH MATERNAL DEATH RATE AMONG AMERICA'S BLACK WOMEN

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MCKINNEY. Mr. Speaker, black women who are pregnant are dying at an alarming rate. Maternal death rates among black women are four times those of whites. This represents the largest racial disparity in all public health. We need to know why. We need to get data and improve standards of care.

A report released by the Centers for Disease Control and Prevention shows that for minority women, motherhood is deadly. The discrepancy of maternal mortality rates between black and white women is bordering on a crisis. Despite tremendous advances in the last 20 years, we have failed to make progress on maternal mortality.

I have joined the bipartisan effort to close the gap of maternal mortality rates between black and white women by cosponsoring the Safe Motherhood Monitoring and Prevention Research Act. Women have joined hands across the aisle to support this bill.

This legislation is the cornerstone of our effort to promote better health and to educate women about their pregnancies. Let us work to promote safe motherhood.

NATIONAL BREAST CANCER AWARENESS MONTH, AND THE RACE FOR THE CURE IN MIAMI

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, every 3 minutes a woman is diagnosed with breast cancer, and astonishingly, 80 percent of these women will have no known risk factors. Mr. Speaker, these numbers can be simply translated to say that every woman is at risk of developing breast cancer at some point throughout her lifetime.

We know that the key to defeating breast cancer is early detection through self-exams, mammographies, and clinical tests. However, none of these components can be beneficial if they are not regularly practiced. This month we celebrate national breast cancer awareness, where breast cancer survivors and supporters will share information and raise funds to cure this disease.

This Saturday, the YWCA of greater Miami will host race for the cure, Miami 99, to benefit the Susan G. Komen Foundation, a national organization dedicated to the eradication of breast cancer. This year's race is dedicated to the memory of Nancy Bossard, a Miami Dade County public school teacher who, sadly, lost her life to breast cancer.

Up to 75 percent of the race's proceeds will stay in our community to support local breast cancer programs and to provide detection to equip women in their battle against this deadly disease.

THE RED SOX, THE FINAL MAJOR LEAGUE BASEBALL WORLD CHAMPION OF THE MILLENIUM

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, the baseball gods are smiling down upon Red Sox Nation. The hardball heroes of Boston are in the process of lifting one of the most vexing curses of all time, the curse of the Bambino. For the Fenway faithful, the curse has taken on mythic proportions. It is Shakespearean, epical, Biblical, in the same league as the curse of Macbeth, the curse of King Tut's tomb, or the curse of the Tower of Babel.

Mr. Speaker, today I join with the millions of Red Sox fans who are saying, wait until next year, no more. How will Pedro, Nomar, and the rest of Olde Towne Team meet this daunting challenge? They will blast away at the Bronx Bombers in the House that Ruth built. They will swarm the stadium and swat the sultans' spell. They will crush the curse of the Bambino.

Mr. Speaker, this year is our year. The Red Sox are about to have their millenium moment. The Indians could not stop them, the Yankees cannot stop them, and neither the Mets nor the Braves will be able to stop them as they become the final Major League Baseball world champions of the millennium. The Sox in six, Mr. Speaker. This year we win the World Series.

THE NEW YORK TIMES RECOGNIZES REPUBLICANS' ROLE IN SAVING SOCIAL SECURITY TRUST FUND

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, I would like to quote from today's New York Times:

''Surplus social security funds have functioned as money under the mattress for Congress for four decades. When general government revenues to run the Federal agencies run out, Congress taps into the retirement funds. Some outside experts say that social security surpluses has had no effect on its benefits.

''Republicans have been vowing almost daily never again to spend the money. Speaker J. DENNIS HASTERT again promised today 'never to return to the days when Democrats raided social security.''' This is from the New York Times, of all things.

THE HATE CRIMES PREVENTION ACT OF 1999

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, I am proud to rise today and speak in favor

of the Hate Crimes Prevention Act of 1999, which is cosponsored by myself and 184 of my colleagues.

Recently our country was shocked once again when a gunman entered a Jewish community center in Los Angeles, California, shooting at innocent children and workers with the intent of sending a message by killing Jews.

Last year in Laramie, Wyoming, a young man was killed only because he was gay. In Texas, an innocent man was murdered and dragged through the streets of Jasper just because he was an African-American. All of these incidents are hate crimes, and these do not just affect the group that was killed, but they affect all Americans.

I believe the Hate Crimes Prevention Act of 1999 is a constructive and measured response to a problem that continues to plague our Nation, violence motivated by prejudice.

I know some people believe that hate is not an issue when prosecuting a crime. They say our laws already punish the criminal act and that our laws are strong enough. I answer with the most recent figure from 1997, when 8,049 hate crimes were reported in the United States.

REPUBLICANS BALANCE THE BUDGET WITHOUT RAIDING SOCIAL SECURITY

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I would echo the comments of my colleague, the gentleman from North Carolina, and would call to the attention of this House, and by extension, the American people, the headline which appears in the New York Times today. I quote it: ''Budget Balances Without Customary Raid on Social Security.''

Granted, Mr. Speaker, the Times tried to bury this on page A–18, but even the writer of the article says that this is enormous, this is of enormous import. Here is the reason why, Mr. Speaker. For the first time in 40 years, this Congress has balanced the budget without using social security funds. Indeed, there is a surplus of $1 billion.

Now, Mr. Speaker, let us take a walk down memory lane. For those 40 years, we had four Republicans in the White House and four Democrats, but also, for those 40 years, we had the liberals in control who spent 100 percent of the social security surplus on an annual basis and drove us further into debt.

Mr. Speaker, this is enormous news. We have balanced the budget, we have generated a surplus, and we have stopped the raid on social security trust funds.

WE NEED TO PUT AMERICA'S CHILDREN FIRST INSTEAD OF LAST

(Mr. WU asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WU. Mr. Speaker, school has been in session from anywhere from 1½ months to 2 months, and we have got anywhere from 2 weeks to 2 months to bring this budget cycle to a close. It is time to put America's children first instead of last.

I have been working hard to reduce class size by putting 100,000 teachers into classrooms across America. We clearly need smaller class sizes in my congressional district. Some of the newest schools have overcrowding problems already, even though they have only been open for a year or two.

At other facilities, they either have trailers in the parking lot and in the schoolyard, or else there has not been any new construction since 1927, in some of the rural communities in my congressional district.

We need the ability to build classrooms where classrooms are needed. We need the ability to put additional qualified teachers into those classrooms. We need to put America's children first, instead of last. We need to get that taken care of in the next 30 to 60 days in this Congress.

REDUCING BLOATED FEDERAL GOVERNMENT WILL KEEP SOCIAL SECURITY TRUST FUND SAFE

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, how sweet it is. This year the Republican Congress will balance the budget without spending the social security trust fund. This is the second year in a row. Most people are surprised to find that out. It has not been easy. We have made some tough choices. We have taken some harsh criticism from our opponents, from the media, and even from our friends.

Yes, it has been tough, and it is not over this year. The administration has a different idea. The President says we can spend more money. All we have to do is dip into social security, like a bear dips into a jar of honey. It is easy, and if we do not like that, well, we will just raise taxes.

Mr. Speaker, that would be a bitter pill. We do not need to dip into the jar of honey and we do not need to take a bitter pill to stop the raid on the social security trust fund. All we need to do is put our overweight Federal Government on a diet and reduce its consumption. Then we will stop the raid on the social security trust fund, take care of those truly in need, and balance the Federal budget. How sweet it is, Mr. Speaker.

THE INSURANCE INDUSTRY, HMOS, AND THE REPUBLICANS WORK TO UNDERMINE THE PATIENTS' BILL OF RIGHTS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, last week we passed a historic piece of legislation giving patients strong protections against HMO wrongdoing. We put medical decisions back where they belong, in the hands of doctors and patients.

But the glow of our victory has quickly faded. Today the insurance industry, HMOs, and the Republican leadership are garnering their forces to undermine the Patients' Bill of Rights. The chairman of the Committee on Commerce said yesterday that the bill, and I quote, ''will never reach the President's desk.'' Plans are underway to bend, tear, and spindle these basic patient rights.

Families with loved ones who are sick need the Patients' Bill of Rights. They need it now. We should begin work immediately to reconcile our bill with the other Chamber's, and give patients the ability to choose their own doctors, guaranteed access to emergency and specialty care, the right to make health decisions with their doctors, and the ability to hold HMOs accountable.

Last week's victory was one battle in the war for strong patient protections. The American people deserve the Patients' Bill of Rights, and they deserve it now.

SOCIAL SECURITY LOCKBOX BILL HELD HOSTAGE BY FILIBUSTERS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, on May 6 of this year, 139 days ago, I joined with 415 of my colleagues here in the House in supporting H.R. 1259, the social security lockbox bill.

The fight to stop the raid on social security in this year's budget debate offers the best possible reason for passing the social security lockbox bill. If the lockbox were in place this year, the big spenders would have to think twice before trying to go after the funds that rightly should be set aside for the seniors of today and tomorrow. We must stop balancing the Federal budget on the backs of our seniors and our social security trust fund.

Unfortunately, Members of the minority in the other body refuse to allow this bill to be brought to the floor for a vote. Six times there has been an effort to end the filibuster. Six times that effort has failed. The social security lockbox bill has been held hostage for 139 days. One hundred and thirty-nine days is long enough. It is time for the other body to act.

RURAL AMERICA AND THE POOR REMAIN LEFT OUT OF HIGH-SPEED DIGITAL INTERNET ACCESS

(Mr. TAUZIN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, a study here in Washington by Legg-Mason recently reported that we are about to become a Nation of haves and have-nots in the worst way. That report says that as long as 3 years into the next millenium, one-half of America will still be deprived of high-speed digital Internet access.

That means that for half of America, our families, our businesses, will not have access to the Information Age, while the other half of America will have good, competitive service. Guess who is left out? Rural America, the poor, the impoverished parts of our country. It means that for half of America, they will either have a single monopoly provider or no provider at all.

Why? Because of old laws that still exist on the books to regulate long-distance and local phone companies. Those old laws restricting competition in those areas are going to hold back the deployment of high speed to half of America.

Members should try to explain to a business in their district, if they live in rural America, like I do, that has to shut down because it cannot get access to the Internet. Explain to a family that cannot get their children educated that they did not do anything about it.

It is time to change those old laws and to end this system of haves and have-nots in America.

□ 1030

WE HAVE REACHED THE PROMISED LAND, FOR NOW

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, we have reached the promised land for now. The Federal Government, for the first time, the first time since 1960, balanced its budget in the just-ended year without tapping Social Security. The Congressional Budget Office reported that yesterday.

Now, this is very, very important. Those people who paid their money into Social Security in the form of taxes now can realize that they are protected, they are secure. Quote, ''We stopped the raid on Social Security. There is no going back,'' end quote. That is what our leader, the gentleman from Texas (Mr. ARMEY), said. And this is what Robert Reischauer of the Brookings Institution said, ''In a sense what we have done is we have reached the promised land and it will become an issue of who lost the promised land.''

Republicans are committed. Stop the raid on Social Security.

WHEN WILL H.R. 1 BE DELIVERED TO THE HOUSE?

(Mr. OSE asked and was given permission to address the House for 1 minute.)

Mr. OSE. Mr. Speaker, I rise today to inquire when are we going to get H.R. 1 delivered to this House? When I arrived here in January, one of the things we did out of respect for the administration was reserve H.R. 1 for the President's plan on Social Security. It is now the middle of October, and the President's plan is still absent.

When can we expect the delivery of H.R. 1 from the administration?

FIRST EVER CLEAN AUDIT OPINION OF U.S. HOUSE FINANCIAL RECORDS

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Michigan. Mr. Speaker, when we drafted the Contract with America in 1994, we promised to conduct public audits of the House books and records, but in 1995 PricewaterhouseCoopers could not even render an opinion. The records, and I should say the lack of records, were deplorable. Millions of dollars were tracked on handwritten ledgers with numbers scratched out and written in different ink colors. Supplies and equipment were purchased without competitive bidding. There was $14 million in over-budget spending. There were problems with the post office and the House bank.

After a great deal of work to clean up the mess and start keeping records under the guidelines of general accounting principles, this fall we received a totally clean bill of financial health. For the first time ever, the House books are clean, open to the public, and follow those principles.

We are committed to the highest standards of integrity and full accountability to taxpayers, including balancing the budget without using the Social Security trust fund surplus.

CONFERENCE REPORT ON H.R. 2561, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2000

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 326, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 326

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2561) making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. LAHOOD). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, yesterday the Committee on Rules met and granted a normal conference report rule for H.R. 2561, the Fiscal Year 2000 Department of Defense Appropriations Act. The rule waives all points of order against the conference report and against its consideration. In addition, the rule provides that the conference report shall be considered as read.

This should not be a controversial rule. It is a type of rule that we grant for every conference report that we consider in the House.

Mr. Speaker, yesterday's military coup in Pakistan was a reminder to all of us that we live in an unstable world. We cannot ignore national defense. This appropriations bill, as well as the defense authorization bill which the President recently signed into law, is a strong step forward as we work to take care of our military personnel and provide for our national defense.

We have a long way to go, but H.R. 2561 fully funds a 4.6 percent military pay raise so that we can get some of our enlisted men and their families off of food stamps. It provides $1.1 billion more than the President requested for the purchase of weapons and equipment and it sets aside funding for a national missile defense system so that we can protect ourselves from terrorist nations.

This is a good bill. I urge my colleagues to support the rule and to support the underlying conference report, because now more than ever we must improve our national security.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this rule and this conference report; but, first and foremost, I rise in support of the men and women who serve the Nation faithfully, as well as members of our armed services. They are the ones who, when called upon, will be required to sacrifice their lives so that we may continue to live in freedom; and this conference report, Mr. Speaker, fulfills a commitment to them which I am proud to support.

Mr. Speaker, this conference report contains a package of pay and retirement improvements which keeps faith with our men and women in uniform. This conference report contains the largest military pay raise in 18 years, as well as funding for a change in pay scales and a series of pay and bonus incentives. These pay increases, bonuses, and other incentives prove our commitment to a better quality of life for our military personnel and their families.

As an editorial in the Fort Worth Star Telegram noted on Monday, when the President signed the National Defense Authorization Act last week, he said the excellence of our military is the direct product of the excellence of our men and women in uniform. This bill invests in that excellence.

I believe, Mr. Speaker, the same holds true for this conference report. The conferees are to be commended for ensuring that quality of life, benefits and training for the soldiers, sailors, airmen, and Marines, upon whom we depend for our national security, are squarely addressed. There is much left to do, but I believe the provision of the 4.8 percent pay increase is a solid beginning. Incentives to retain our most skilled military personnel are also in the bill; but, again, there is still much to do to ensure that we not continue to lose men and women who have the skills and experience that are so critical to maintaining a fighting force that can quickly and effectively respond to any emergency or who can sustain a long-term effort.

The ranking member of the Committee on Armed Services, the gentleman from Missouri (Mr. SKELTON), early this year called 1999 the Year of the Troops. This bill lives up to the commitments we as a body made earlier this year; but this is not the end of the story, Mr. Speaker, because there is still much to be done. In spite of the constraints on our budget, we must all make a commitment to continue to improve the quality of life for our military personnel and their families. Considering how much we ask of them, this is the least that we can do.

The conference agreement also provides for those weapons systems that our military men and women will man and operate, and in particular this bill reflects a workable compromise on the future of the F–22 stealth fighter. While I would certainly have preferred that full funding for production of the first six F–22 fighters be included in this bill, the agreement does provide $750 million for the development of a test aircraft which will be subjected to rigorous tests prior to going forward with full scale acquisition. Also included is $277 million for the purchase of components for advanced procurement of ten F–22s if the test aircraft meets the test thresholds established in the conference agreement and provides the $1.2 billion requested by the President for further research and development of the aircraft.

Mr. Speaker, production of this aircraft is the number one modernization priority of the Air Force. This program has received the unqualified endorsement of the entire Joint Chiefs, as well as all 10 war fighting commanders in chief.

The Secretary of Defense has called the F–22 the cornerstone of our Nation's global air power in the 21st Century. Mr. Speaker, no other aircraft in our current arsenal will be able to fulfill the role that the F–22 is designed to fill in the next century, and the conference agreement is a vast improvement over the zero funding that was in the House-passed bill. The conference agreement also provides for $246 million to build ten F–16–C fighters, as well as $283 million for F–16 modifications and upgrades. The bill also provides $302 million for upgrades for the B–2 bomber fleet and $856 million for the acquisition of 12 V–22 Osprey tiltrotor aircraft and $183 million for additional research and development on the V–22.

The conference agreement provides for a total of $267.8 billion for the Department of Defense in the first fiscal year of the new century. The conferees have done the best with the funds available to them but, Mr. Speaker, we have found ourselves in the unenviable position of making trade-offs and delaying the funding for needed modernization programs while at the same time the needs of our military continue to grow as our obligations as the world's only superpower continue to expand. This bill is a good bill as far as it goes, but I believe that in future years the Congress must make every effort to continue to fund the needed programs that will ensure our national security.

Mr. Speaker, I urge the House to adopt this rule and to adopt the conference report. This bill is good for our country and deserves our support.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Speaker, I rise in opposition to the rule, and I do this based on a provision that is in the bill, section 8160, which makes the statement, ''Notwithstanding any other provision of law, all military construction projects for which funds were appropriated in Public Law 106–52 are hereby authorized.''

In other words, in an appropriations bill they are saying that anything we want to do is okay to do and we will assume that they were authorized. Now, this is not unusual. We do this often in bills. In fact, there are many committees who do not do an authorization bill and then an appropriations bill, but that is not the case with defense. We work very hard to do an authorization bill. We struggle with that. We have endless hours of hearings with that. We come up with a bipartisan, it is almost always a unanimous, vote. Certainly in my committee it is always a unanimous vote on the authorization process. Then we go to the full committee, and it is almost always a unanimous vote.

So we have struggled with these things, trying to authorize the things that really do make sense, that are good public policy.

Then we go through the conference process, and we struggle with the Senate, and we come out, and we have an authorization bill. Now, many times the appropriations bill is out ahead of the authorizations bill, and so they can accept statements like this because they are out ahead, but that is not the case this year. The authorization bill is first. It has been signed by the President. The Committee on Rules, I asked in the Committee on Rules that they make these authorizations subject to a point of order so that we could at least get to these things and determine whether or not we want to do them or not. The Committee on Rules did not do that.

This is bad policy. This is a bad way to do our business here on the House Floor. It raises the question of whether or not we need an authorization committee and a Committee on Appropriations if the Committee on Appropriations is going to do it all.

So, Mr. Speaker, I would request that we would reject this rule and come back with a rule that would give us an opportunity to deal with this blanket authorization which is being done in an appropriations bill.

□ 1045

Mr. FROST. Mr. Speaker, I yield 6 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking member on the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, first of all, I want to congratulate the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) for doing their dead-level best to bring new thinking to this bill.

They tried mightily, for instance, on the issue of the F–22, because they recognized that, if we are putting all of our money in that basket, we do not have enough money to provide other high priority needs that our defense posture very badly needs.

They have been partially successful, and I congratulate them for that. I recognize that they could not go as far as they needed to go because of constraints imposed upon them by the leadership of this House. I regret that. I think we should have gone further.

But I want to take the time of the House today to give my colleagues a more basic reason for my concern about this bill. I am not going to vote for this bill in the end because I do not believe in supporting legislation which in the end conveys a falsehood to the American people.

When we had President Reagan ram his budget through here in 1981 and beyond, I opposed those budgets in very large part because they promised something that they could not deliver. They promised that they would balance the budget in 4 years. Instead, they produced the largest deficits in the history of the country.

When we had the budget agreement in 1997, which was signed by the President and pushed through the Congress by then Speaker Gingrich, I did not support it and called it a public lie, because, in my view, it promised things that would never take place. In fact, time has demonstrated that the doubts about that bill were correct.

Now, we have a new situation. We have the Republican majority telling the country that they do not want to sit down in an omnibus negotiation with the President on all remaining bills because, if they did, they say we will wind up just like last year where we had some $21 billion in emergency spending rammed into last year's omnibus appropriation bill.

First of all, that misreads history, because, in fact, that number was driven up substantially by then Speaker Gingrich who insisted that, whatever increases we had on the domestic side be matched on the military and intelligence side, whether we needed them or not. So they wound up spending $21 billion on emergencies.

But, ironically, this year, this Republican House has already spent $24.2 billion and designated them as emergencies. They spent $8.7 billion on agriculture and declared it an emergency. They spent $7.2 billion in this bill on defense, declared it emergency. They spent $4.5 billion on the census. They declared it an emergency. Low-income heating assistance, which has only been around for 24 years, they declared that an emergency at $1.1 billion. They declared $2.5 billion in FEMA as an emergency. They declared half a billion dollars in bioterrorism as an emergency for a grand total of $24.2 billion.

So they have already spent more in emergencies than we spent last year. Yet, they claim the reason they do not want to negotiate with the President is to avoid that which they have already done. That strange logic makes sense only, I guess, on this floor.

I would also point out that, in this bill, this bill pretends to spend $249 billion in outlays. In fact, when we take into account all of the gimmicks, it spends $271 billion in outlays. They have $21 billion worth of gimmicks in order to pretend that the bill is spending less than it actually spends.

It has an emergency designation of $7.2 billion in budget authority and $5.5 billion in outlays. It pretends we are going to make $2.6 billion through spectrum sales. We know that is not going to happen. It has an advance appropriation of $1.8 billion.

Then it simply directs the Congressional Budget Office to pretend that the spend-out rate for this bill is going to be $10.5 billion less than it will actually be, and they simply tell the Congressional Budget Office to ignore reality. That hides another $10.5 billion. Then they delay payments to contractors for a few days to save $1.25 billion.

So we have overall total gimmicks of $21.6 billion. That is not a good recommendation for passing this bill.

One thing we ought to do, no matter what our political differences are, no matter what our philosophical differences are, we at least ought to level with people about what we are doing. Yet, we are engaged in this ridiculous fiction that we are not above the caps and that this Congress has not already spent Social Security money for the coming year, by engaging in all of these phony accounting gimmicks.

That is happening, no question about it, at the direct direction of the leadership of this House. I think it brings discredit to the entire process. It brings discredit to this institution.

Whatever we pass ought to be on the level. This bill is as far from being on the level in terms of being honest with budget numbers as any I have seen in a long time. This and the Departments of Labor, Health and Human Services, and Education and Related Agencies appropriations bill, which has all kinds of similar gimmicks, are two reasons which demonstrate that, when it comes to telling the truth, this House gets a flunking grade.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me this time.

Mr. Speaker, I do intend to support the rule and the conference report, but I wanted to express my concerns about some particular provisions concerning U.S. policy in South Asia.

The conference report language that would give the President authority to waive certain sanctions against India and Pakistan, including the prohibition on U.S. military assistance to Pakistan mandated by the Pressler Amendment, as well as other arms transfer controls.

While I have long supported lifting the economic sanctions against India and Pakistan, which the conference report also addresses, I am concerned the provisions in the conference report would result in a renewal of U.S. arms transfers to Pakistan.

Mr. Speaker, yesterday we were reminded in a stunning and very disturbing way about the potential problems associated with renewing our military ties with Pakistan. The Pakistani Army Chief of Staff, in a nationally televised address, confirmed that a military coup has taken place.

Prime Minister Sharif has been dismissed and placed under house arrest. Troops took over state-run TV and radio stations and closed the major airports. Pakistan's army has ruled the country for 25 of its 52-year history, so Army takeovers have been a relatively common occurrence. But this time, the subversion of civilian government means that Pakistan's nuclear arsenal is under direct control of the military leaders, the same hard-line forces who precipitated Pakistan's incursion into India or onto India's side of the Line of Control in Kashmir earlier this year, greatly heightened tensions in that region.

I believe the provision in the Defense authorization conference report to grant waiver authority for the Pressler amendment essentially on a permanent basis is a grave mistake. Combined with expanded waiver authority on other provisions of the Arms Export Control Act, this opens the door for the administration to renew the U.S. Pakistan military relationship.

Although the Arms Export Control Act waivers would theoretically apply both to India and Pakistan, with congressional notification, I am concerned that that goal is to renew military assistance to Pakistan. I hope that the administration would not help Pakistan militarily thereby putting India at risk. Likewise, I hope that any steps against Pakistan would not be matched by corresponding actions against India.

The conference report also provides for extended waiver authority of the Glenn Amendment economic sanctions. I have lobbied for a suspension, if not an outright appeal, of the Glenn amendment.

I am glad that the conference took action on the Glenn sanctions. Extending the waiver is a positive step, but I just think we could have gone a little further.

I also want to thank the conferees for another positive provision, a sense of the Congress resolution that the broad application of export controls to nearly 300 Indian and Pakistani entities listed on the so-called Entities List, which is adopted by the Bureau of Export Administration, is inconsistent with the specific national security interest of the U.S., and that this list requires refinement.

There is also language that these export controls should be applied only to those entities that make direct and material contributions to weapons of mass destruction and missile programs and only to those items that so contribute.

The BXA went way too far in blacklisting entities with little or no connection to nuclear or missile programs.

So, Mr. Speaker, again, I urge that we adopt the conference report and the rule, but I am very concerned about the repeal, essentially, of the Pressler Amendment.

Mr. FROST. Mr. Speaker, I urge the adoption of the rule, and I yield back the balance of the time.

Mrs. MYRICK. Mr. Speaker, I yield back the balance of the time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LEWIS of California. Mr. Speaker, pursuant to House Resolution 326, I call up the conference report on the bill (H.R. 2561) making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of October 8, 1999, at page H9651).

The SPEAKER pro tempore. The gentleman from California (Mr. LEWIS) and

the gentleman from Pennsylvania (Mr. MURTHA) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).

GENERAL LEAVE

Mr. LEWIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany H.R. 2561, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I first rise to ask the membership for their support for this very important bill. It involves the national defense of our country. In doing so, Mr. Speaker, I would like to express my personal appreciation to my colleagues on both sides of the aisle who have been, not just cooperative, but who have been truly professional in the best possible sense in presenting their viewpoints regarding a number of items that are very important, which we will consider as we go forward with this debate today.

In particular, I would like to express my appreciation to the gentleman from Florida (Mr. YOUNG), the chairman of the full committee. He has been essentially my trainer since I assumed this job, for he chaired the committee before I did. The gentleman from Florida (Mr. YOUNG) is not just a great leader of the full Committee on Appropriations, but, for his entire career, he has provided the kind of leadership that has allowed us to make certain that America is the strongest country in the world, as we play a role in leadership for peace in that world.

Mr. Speaker, speaking just for a moment about the bill, this legislation does provide for $267.7 billion in discretionary spending authority for fiscal year 2000. It meets all budget authority and outlay limits set in the subcommittee's 302(b) allocation.

This bill provides for $17.3 billion more than was appropriated in fiscal year 1999 and is $4.5 billion above the administration's 2000 budget request.

Let me take just a moment to outline some of the highlights of the bill. This legislation provides $73.9 billion to meet the most critical personnel needs of our military. One of our top priorities has been to improve the training, benefits, and quality of life, to ensure that the armed services retain their most valuable asset, that asset being the men and women who serve the country in uniform.

There are essentially 2.25 million men and women serving in the Armed Forces, the reserves, and the National Guard. These personnel, as well as our colleagues, will be pleased to know that this bill fully funds the 4.8 percent pay raise that we have discussed previously.

Mr. Speaker, with those brief comments outlining the highlights of the bill, I reserve the balance of my time.

Mr. MURTHA. Mr. Speaker, I yield 5½ minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I thank the gentleman from Pennsylvania for the time.

Mr. Speaker, a minute ago, I talked about the gimmicks that were in this bill that hide its true spending levels. I would like to continue on that theme and put it in context by walking the House through what the gimmicks are in all of the appropriations bills that we are expected to try to pass.

First of all, with respect to this bill itself, one of the gimmicks in this bill, I guess I would call it the Government Deadbeat Amendment for the year. It simply says that the government is going to delay payment to defense contractors on the bills that we owe from 12 days to 17 days, thereby saving $1.2 billion by squeezing that money into the next fiscal year.

□ 1100

I would like to point out when we do that, we are not only affecting the cash flow of the United States Government, we are affecting the cash flow of thousands of U.S. businesses, and we are affecting their balance sheets for the quarter in question and for the entire fiscal year. And I think that what that really does is to increase the cost of doing business with Uncle Sam.

So what is the response of these contractors likely to be? The response is likely to be that they will factor in that problem the next time they write a contract with Uncle Sam. The net effect is it will raise the cost of those contracts down the line and, in the end, the taxpayers will pay for this foolishness.

This is just one example of one of the problems in the bill. And as I say, I make no criticisms to the gentleman from California (Mr. LEWIS) or the gentleman from Pennsylvania (Mr. MURTHA) when I cite this, because they had no choice but to include gimmicks like this because everybody in this House is under orders from the leadership to hide the true levels of spending. And it is not just happening on this bill. It is happening on all of them.

On agriculture we had just in directed scoring alone, not counting the emergency designation, just in directed scoring alone, which means that they pretend that they are going to spend less than they are actually going to spend, they hide $163 million that way.

In the Commerce-Justice bill, they hide $5.4 billion through a series of budgetary gimmicks. In this bill, as I said earlier, they hide $21.5 billion in spending that way. In the Energy and Water bill that passed, they hide $103 million. In the Foreign Operations bill, they hide $159 million. Interior, the House-passed bill, hides $159 million, as well.

Then in the Labor Health bill, which was reported by the committee, we will have $12.1 billion in assorted gimmicks, some of which their own leading presidential contender has denounced as being unfair because they balanced the budget on the backs of the poor.

In Transportation we have $1.4 billion worth of these gimmicks that hide the true nature of congressional spending. In Treasury-Post Office they hide $151 million. In the VA–HUD bill, which is going to come to the floor yet this week, they hide $1.5 billion through what I would call these hidden card tricks in a magic show.

The problem is that it is not just a few suckers paying a quarter who are fooled, the entire American public is deceived in the process. That means that government-wide, in all of the appropriations bills that we are supposed to consider this year, we have over $43 billion in gimmicks. When we subtract $14 billion from that, which represents the amount of the non-Social Security surplus that we have for the coming year on that we are expected to have, that means we have bills $29 billion over the spending caps in real terms when we do not count the gimmicks.

Now, I want to make clear some of this has happened before. This is not unprecedented. But what is unprecedented is the huge amount of game playing that is going on.

I would just suggest, in the end, both parties would be better off if we level with the American people and if we simply tell them what the true effects are. I know the gentleman from Florida (Mr. YOUNG) tried to avoid this. He tried to bring a series of bills out of committee which were bipartisan in nature and which were a whole lot more honest than the bills that we are running to the floor today, but he was cut off at the pass by people in his caucus who thought they knew better.

The result is that the level of consumer fraud in this House has reached record levels, and I think that is unfortunate for the country and the institution.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. YOUNG), the chairman of our full committee.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding me the time, and I rise in support of this conference report on our appropriations bill for our national security and our intelligence programs.

The gentleman from California (Chairman LEWIS) deserves a tremendous amount of credit for the hard work that he has done in getting this bill to the floor.

Having had many years of experience as a member of this subcommittee, this was probably the most difficult year to go to conference on this bill that any of us have seen. The gentleman from California (Chairman LEWIS) has done a really outstanding job and especially since this was his first year in that important position as Subcommittee Chairman, and I cannot say enough

good words about the outstanding work that he has done.

Also, the gentleman from Pennsylvania (Mr. MURTHA), who is the ranking member and the former chairman of this subcommittee, as usual has worked with the gentleman from California (Mr. LEWIS) to keep this bill and any matters relating to national defense or intelligence totally nonpolitical, nonpartisan, which is as it should be. Our defense issues and our intelligence issues should not be political in any way.

One of the problems that they faced as they produced this bill this year and went to conference with the Senate was a 13-year reduction in our investment in our national defense. However, at the same time we were making these reductions, we were sending our troops to excessive deployments in all parts of the world. Many of them, as all of our Members know, are still deployed today in places like Bosnia and Kosovo and plus the permanent deployments in Europe, Korea, and other places like that.

We have tried to reduce the pressure of these excessive deployments, without much success, because the administration believes that anyplace in the world that there is an opportunity to send American troops they ought to do it. And they do it, and then they send us the bill after they spend the money.

The air war in Kosovo, for example, was a very expensive air war. That air war was basically an American air war. We provided the airplanes. We provided the pilots. We provided the fuel. We provided the munitions. And despite the fact it was a NATO decision to go into that war, it was a U.S. war, and we basically paid for it.

With this bill we are replacing a lot of the munitions, we are fixing a lot of the worn out equipment, we are trying to get a decent quality of life for those men and women who serve in our military by providing them a pay raise. And it is not really enough, but at least it is a significant step towards a commitment that some of us have made to get our men and women in the military up to a livable wage.

It is really a shame when we still have to report that there are still several thousand Americans in uniform who have to rely on food stamps to feed their family.

So we have to give some recognition to those people, and we have done that in this bill in addition to changing the retirement system. This is a good bill. And again I say, in my many years of experience on this subcommittee, this was the toughest conference meeting; and the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) deserve just a tremendous amount of credit in what they have been able to do to bring this conference report to the floor today.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Speaker, I thank the gentleman from California (Mr. LEWIS) for yielding me the time.

Mr. Speaker, I rise in great reluctance to oppose the conference report to accompany H.R. 2561, the Department of Defense appropriations act for the year 2000. I oppose the legislation because it contains numerous provisions which taken together represent an erosion of the prerogatives of the authorization process and actually raise the question of do we need an appropriations process and an authorization process if the Committee on Appropriations is going to do both in their bill.

I am not usually down here opposing a defense appropriations bill. I always have been and I continue to support a strong national defense.

Let me tell my colleagues, there is a lot of good in this bill. The gentleman from Florida (Mr. YOUNG) pointed out many of the items. There is a lot of good in this bill. The gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) should be commended on the bill that they have produced and for getting this out of the conference report.

But since I have became chairman of the subcommittee on military installations and facilities over 4 years ago, I have worked closely with Members of both sides of the aisle to find additional resources needed to improve and enhance our military housing and infrastructure. I have always done so in cooperation with the Committee on Appropriations.

In fact, the military authorization bill on military facilities and construction and the appropriations bill on military construction in these last 4-plus years have been mirrors of each other because we worked so closely together. That is the way it should be. That is not the way it is this year.

That is why it is especially troubling to me to review the conference report and see that there are so many provisions that violate the necessary and reasonable boundaries between the authorizations and the appropriations process.

First, section 8160 provides a blanket authorization for all military construction projects for which funds are appropriated pursuant to the Military Construction Appropriation Act, 2000. The legislation contained funding or additional funding for 18 military construction projects amounting to $110.5 million for which no authorization of appropriations was provided in the National Defense Authorization Act for Fiscal Year 2000.

Mr. Speaker, I will include a list of these military construction projects at issue following my remarks.

Mr. Speaker, sometimes the appropriations bill is out ahead of the authorization bill; and when that happens, a provision like this may need to be done, but it is usually done with the idea that we are appropriating this subject to the authorization of these projects, which we then look at the next year and we get done.

That is not the case this year. The authorization bill did not provide authority for these military construction projects because there was a consensus among House and Senate conferees on that bill to not break scope to add large number of new projects, given the limited resources available to us.

While these projects may have legitimate military utility, none, in my judgment, represent an urgent requirement that could not be evaluated during next year's authorization review. It is not unusual for an occasional construction project to be appropriated without authorization. But, as I said, we do that the following year.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I appreciate my colleague yielding.

Let me say this: the questions that he is raising in his statement are very legitimate questions, and I must say that the gentleman has been more than professional in his dealings with me. I, too, feel that we need to work very hard to make sure that we eliminate conflicts between the authorizing process where they may exist and the appropriations process.

In this case, I guess the gentleman and I working together would probably agree regarding most of the projects that may have been authorized. Sometimes elements at a different level than that of the gentleman and mine and the House get involved between us. So, in connection with that, let me say to the gentleman that I commit to him that he and I will work very closely to try to eliminate this kind of problem in the future dealing with our leadership and otherwise.

And with that, while the gentleman is expressing very well his concern about this matter, recognizing the broad base of values in this bill, I would hope in the final analysis even with this protest I would have the vote of this gentleman.

Mr. HEFLEY. Mr. Speaker, I appreciate that. The gentleman from California (Mr. LEWIS) and I have worked together; but we have been friends and colleagues and worked well together for darn near 15 years, and that is not going to change because of this bill this year. And we have talked about next year and future years and how this ought to be done, and we intend to do it differently. I appreciate his comments.

Second, section 8167 provide new appropriations and authorization for an Army Aviation Support facility to support the Army National Guard at West Bend, Wisconsin. This MILCON project was not included in either the House or the Senate version of the defense authorization bill or in the House or Senate version of the military construction appropriations bill. It is an entirely new $10 million project that is

not even included in the Future Years Defense Plan, what is called the FYDP, meaning that it is not part of the current Army National Guard planning until well after the year 2005.

That is not the way we do business. The urgency of this project escapes me. Its inclusion in the general appropriations bill to support the Department of Defense is simply wrong and compounds the troubling precedent presented by section 8160.

Third, section 8163 provides authority for the Secretary of the Air Force to accept up to $13 million in contributions from the State of New York for the purpose of combining those funds with $12.8 million in appropriated funds to consolidate and expand facilities at Rome Research Site at New York.

□ 1115

It sounds like a good deal for the Air Force. The trouble is that the Air Force does not support it.

The President's budget request for the coming fiscal year contained a requirement for a $12.8 million facility at the Rome Research Site. The conference agreements on the defense authorization bill and the military construction appropriations bill both provided the funding necessary for the validated MILCON requirement. However, the proposal for broader authority to permit the State of New York to contribute funding for additional facility improvements was rejected by the conferees on the defense authorization bill. While the Department of the Air Force fully supported the requirement contained in the President's budget, the Secretary of the Air Force declined to support the broader facility improvement plan. In a letter dated August 6, 1999, the Secretary stated that ''The Air Force currently has no additional phased consolidation projects for the Rome Research Site in the Future Years Defense Plan and does not have options for funding any future phases.''

Finally, section 8168 contains extensive new authorities for the Secretary of the Air Force to conduct a ''pilot project'' at Brooks Air Force Base, Texas. These authorities fundamentally change the nature of installation management. Although the provision was slightly modified for the version contained in the Senate-passed defense appropriations bill, this is a matter which deserves review by the authorization committee, even if it is just a ''pilot project.''

Mr. Speaker, as I said, I know the gentleman from California (Mr. LEWIS) and other members resisted the inclusion of many of these provisions and I appreciate their efforts. Regretfully, the conferees on H.R. 2561 could not withstand the significant pressures to depart from the well-established pattern of comity that has governed the authorization and appropriations process for military construction in recent years. I simply cannot support legislation that in the end significantly undermines the authority of the Committee on Armed Services.

Mr. Speaker, I include the following for the RECORD:

MILITARY CONSTRUCTION PROJECTS AUTHORIZED BY SECTION 8160 OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2000

State	Service	Location	Project	Amount in thousands
Arizona	Army	Fort Huachuca	Wastewater Treatment Plant, Phase 1	6,000
California	Navy	NAS Lemoore	Gymnasium	16,000
District of Columbia	Navy	8th & I Barracks	Site Improvements	4,000
Florida	Navy	Blount Island (Jacksonville)	Land Acquisition, Phase 1	5,000
Florida	Air Force	MacDill AFB	Mission Planning Center, Phase 1	10,000
Massachusetts	Army National Guard	Barnes ANGB	Army Aviation Support Facility	3,933
Michigan	Air National Guard	Selfridge ANGB	Replace Fire Crash/Rescue Station	7,400
Minnesota	Air Force Reserve	Minneapolis/St. Paul ARS	Consolidated Lodging Facility, Phase 2	8,140
Montana	Army National Guard	Great Falls	Readiness Center	4,700
New Jersey	Army	Picatinny Arsenal	Armament Software Engineering Center, Phase 1	9,900
New Jersey	Navy	NWS Earle	Security Improvements	1,250
Ohio	Air National Guard	Mansfield Lahm Airport	Replace Security Forces Complex	2,700
Ohio	Air National Guard	Toledo Express Airport	Upgrade Maintenance Complex	8,400
Ohio	Air Force Reserve	Youngstown ARS	Apron Runoff/Storm Water/Deicing Collection System	3,400
Pennsylvania	Army National Guard	Connellsville	Readiness Center	1,700
South Carolina	Navy	NWS Charleston	Child Development Center	3,614
Washington	Army	Yakima Training Center	Tank Trail Erosion Mitigation, Phase 5	12,000
Korea	Army	Camp Kyle	Physical Fitness Center	4,350
Subtotal				112,487
Offset for Authorization of Appropriations (P.L. 106–65)				(2,000)
Total				110,487

Note: Public Law 106–65, the National Defense Authorization Act for Fiscal Year 2000 provided authorization of appropriations for Military Construction, Army in the amount of $2,000,000 for tank trail erosion mitigation at Yakima Training Center, Washington.

Mr. LEWIS of California. Mr. Speaker, I yield 2½ minutes to the gentleman from Georgia (Mr. CHAMBLISS).

Mr. CHAMBLISS. Mr. Speaker, I rise in support of the conference report. I want to commend the gentleman from California, the chairman, along with the gentleman from Pennsylvania, the ranking member, for putting together what I think is a good quality bill.

As the gentlemen know, I was not particularly pleased with the direction at which we started out with respect to the F–22, but I want to say to each of the gentlemen, they have been very straightforward in the debate, the dialogue we have had, they have been honest in their beliefs and honest with me. I appreciate them working hard to make sure that we came up with a fair resolution for the continued research and ultimate procurement of a very valued weapons system. It is going to be necessary for this system to be purchased if we are going to maintain air superiority in the future, and we have seen just most recently in the Balkans how critical that is.

I also want to commend them on the direction in which we are continuing to go with respect to the C–17. The C–17 is a very valuable airlift mobility asset. I think that we ought to continue to look at what we are doing with the C–17 as a model for the purchase of future weapons systems. A multiyear buy not only provides our armed forces with the best weapons systems available but it also saves the taxpayers money, and that is what we are ultimately here and all about. We are operating in an entirely different era now from what we have operated in in past years because we simply do not have the money to buy anything we want in the quantities that we want to buy them.

I am a little disappointed in where we are going, the direction, with the 130s. The Marine Corps asked for a total of four and we were not able to provide those. But I know that the gentlemen are going to work hard to see if we cannot improve that next year. We are going to put the burden back on the Air Force, that if they want these weapons systems, they are not going to be able to depend on add-ons in future years. They have got to come ask for them. That is the way it ought to be.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. CHAMBLISS. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I want to compliment the gentleman on his statement, particularly on his comments regarding the C–17. I am very pleased and I want to compliment the gentleman from Pennsylvania (Mr. MURTHA) and the gentleman from California (Mr. LEWIS) for putting in the multiyear language for the C–17. Frankly, I do not think 120 of these planes is enough. I think we are going to need more than that, simply because we do not have enough aircraft for the airlift and deployability issue.

Just yesterday, General Shinseki has come up with this new program for the

Army which is basically heavily reliant on deployability and having all this new equipment be able to fit into those C–130s that the gentleman mentioned. I look forward to working with him in the days ahead, and I appreciate his statement.

Mr. Speaker, I rise in support of this conference report. This year's defense appropriations bill provides funding for many critical military needs. Chairman LEWIS and Ranking Member MURTHA have ensured that the Congress is addressing problems with recruiting and retention and the readiness of our Armed Forces. I thank them for their leadership on this bill.

H.R. 2561 includes the final portion of a 4.8 percent pay raise for military and defense civilian personnel. This pay raise will address the pay gap between those at the Defense Department and comparable jobs in the private sector. The bill includes critical funding for Navy ship maintenance, an area where increasing backlogs have built up. This year's bill includes over $360 million more for ship maintenance activities than the appropriations bill for FY 99. And this bill has found a critical balance for the modernization priorities of all the services. In particular, I am pleased that the conferees were able to restore much of the funding in the President's Request for the F–22, air dominance fighter. Funding included in the bill will allow work to move forward on the F–22 while also providing for additional testing.

The conferees also approved multiyear procurement authority for the FA–18 E&F and the C–17. This will allow us to purchase 222 F–18s for the price of 200, a significant savings. And it will allow us to take advantage of an unsolicited proposal by Boeing to provide 60 more C–17s at an average price that is 25 percent lower than the current model. These planes will address critical airlift needs revealed in Kosovo.

The committee has also ensured that the weaponization of our bomber force will continue. Earlier this year, the Air Force provided Congress with a bomber road map laying out their plan to weaponize the bomber force. It was totally inadequate. Congress has provided an additional $100 million for weaponization of the B–2 bomber. These funds will allow for the purchase of deployable shelters for the B–2 so that when necessary it can deploy closer to the theater of combat. We further integrate the B–2 into the larger air campaign by adding Link 16 connectivity to the B–2 along with the most advanced displays for situational awareness. We improve the in-flight replanning capability of the B–2's on-board computer systems. At the Air Force's request, we pay for the integration of the EGBU 28 bomb in the B–2's bomb bay. And we start the process of developing further improvements to the B–2's stealth.

The conferees also provided funding for improvements to B–52's situational awareness systems, and for additional conventional bomb modules for the B–1B. These investments will ensure that our bomber force can continue to be as effective in the future as it was during the recent Kosovo conflict.

Again, I would like to thank the Chairman and Ranking Member, and urge support of the conference report.

Mr. CHAMBLISS. I thank the gentleman for those comments.

Lastly, just let me say that I appreciate the efforts that we have made on the quality of life issues. As I go around and talk to enlisted personnel all across the world, I am very impressed with the quality of those folks, and the provisions that the gentlemen have made with respect to quality of life are going to help those young men and women out there.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. GRANGER).

Ms. GRANGER. Mr. Speaker, I rise in strong support of the Department of Defense conference report, legislation that deserves overwhelming support in this House.

I want to begin by acknowledging the budgetary challenges that the gentleman from California and the Subcommittee on Defense faced in assembling this conference report. Yet I also want to thank this Congress and acknowledge that the Federal Government has no more important responsibility than national defense. This bill is a step in the right direction. I commend the gentleman from California for his leadership.

I have been an advocate for a stronger military for many years, but it was not until I arrived in Congress that I realized how hollow our military has become and how important high-tech weapons are to the future of our national security.

I want to commend the gentleman for his scrutiny of the F–22 Raptor program. This is an honorable compromise that does not compromise our national security. The F–22 will continue to be developed. That is bad news for America's enemies, but it is good news for America's security.

This conference report also funds other programs critical to our national defense, including the V–22 Osprey, the F–16 Falcon, and the 4BW–4BN, H–1 upgrade programs. I thank the gentleman for his work on these priorities.

In closing, I would like to remind my colleagues that our national security can be preserved only when we match our greatest asset, which is our troops, with the greatest weapons possible. This bill acknowledges that when it comes to national security, it is better to be safe than sorry. For that reason, I am proud to support this legislation.

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill speaks for itself. All the members have done a marvelous job: the gentleman from Virginia (Mr. MORAN) and the gentleman from Washington (Mr. DICKS) have been in the trenches; the gentleman from Minnesota (Mr. SABO) did a tremendous job; the gentleman from California (Mr. LEWIS) in a very difficult situation. This bill is carefully crafted, articulately done.

Mr. Speaker, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

(Mr. LEWIS of California asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. LEWIS of California. Mr. Speaker, a very brief comment in closing. I would be remiss if I did not just take a moment to express my deep appreciation to the gentleman from Pennsylvania (Mr. MURTHA) who is not just a pro at this business but who has been a great leader on behalf of national defense for a long, long time. Within our subcommittee, he has been the driving force that has allowed us to create an environment that is literally nonpartisan as it relates to national defense. No bill is more important to the national government, to America and indeed to the world than this one. The gentleman from Pennsylvania has played a key role in making this year's effort such a success.

Beyond that, I would also like to express my appreciation to Greg Dahlberg, his fine staff assistant who has worked so closely with us this year, Kevin Roper, my staff director, and I must say my own personal staff as well as our Appropriations Committee staff. Mr. Speaker, I do not know where or how we find such fabulous young people who are willing to work endless hours, endless days. They do not know weekends. They have done a fantastic job this year to create an extraordinary bill.

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	House	Senate	Conference	Conference vs. enacted
TITLE I						
MILITARY PERSONNEL						
Military Personnel, Army	20,841,687	22,006,632	21,475,732	22,041,094	22,006,361	+1,164,674
Pay increase provided in P.L. 106-31			(559,533)			
Military Personnel, Navy	16,570,754	17,207,481	16,737,072	17,236,001	17,258,823	+688,069
Pay increase provided in P.L. 106-31			(436,773)			
Military Personnel, Marine Corps 2/	6,263,387	6,544,682	6,353,622	6,562,336	6,555,403	+292,016
Pay increase provided in P.L. 106-31			(177,980)			
Military Personnel, Air Force	17,211,987	17,899,685	17,565,811	17,873,759	17,861,803	+649,816
Pay increase provided in P.L. 106-31			(471,892)			
Reserve Personnel, Army	2,167,052	2,270,964	2,235,055	2,278,696	2,289,996	+122,944
Pay increase provided in P.L. 106-31			(40,574)			
Reserve Personnel, Navy	1,426,663	1,446,339	1,425,210	1,450,788	1,473,388	+46,725
Pay increase provided in P.L. 106-31			(29,833)			
Reserve Personnel, Marine Corps	406,616	409,189	403,822	410,650	412,650	+6,034
Pay increase provided in P.L. 106-31			(7,820)			
Reserve Personnel, Air Force	852,324	881,170	872,978	884,794	892,594	+40,270
Pay increase provided in P.L. 106-31			(13,143)			
National Guard Personnel, Army	3,489,987	3,570,639	3,486,427	3,622,479	3,610,479	+120,492
Pay increase provided in P.L. 106-31			(70,416)			
National Guard Personnel, Air Force	1,377,109	1,486,512	1,456,248	1,494,496	1,533,196	+156,087
Pay increase provided in P.L. 106-31			(30,462)			
Total, title I, Military Personnel 4/	70,607,566	73,723,293	72,011,977	73,855,093	73,894,693	+3,287,127
Pay increase provided in P.L. 106-31			(1,838,426)			
Total funding available	70,607,566	73,723,293	73,850,403	73,855,093	73,894,693	+3,287,127
TITLE II						
OPERATION AND MAINTENANCE						
Operation and Maintenance, Army	17,185,623	18,610,994	19,629,019	19,161,852	19,256,152	+2,070,529
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
(By transfer - Pentagon Renovation Transfer Fund)	(-96,000)					(+96,000)
Operation and Maintenance, Navy	21,872,399	22,188,715	23,029,584	22,841,510	22,958,784	+1,086,385
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
(By transfer - Pentagon Renovation Transfer Fund)	(-32,087)					(+32,087)
Operation and Maintenance, Marine Corps	2,578,718	2,558,929	2,822,004	2,758,139	2,808,354	+229,636
(By transfer - Pentagon Renovation Transfer Fund)	(-9,513)					(+9,513)
Operation and Maintenance, Air Force	19,021,045	20,313,203	21,641,099	20,760,429	20,896,959	+1,875,914
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
(By transfer - Pentagon Renovation Transfer Fund)	(-52,200)					(+52,200)
Operation and Maintenance, Defense-Wide	10,914,076	11,419,233	11,402,733	11,537,333	11,489,483	+575,407
(By transfer - Pentagon Renovation Transfer Fund)	(-90,020)					(+90,020)
Operation and Maintenance, Army Reserve	1,202,622	1,369,213	1,513,076	1,438,776	1,469,176	+266,554
Operation and Maintenance, Navy Reserve	957,239	917,647	969,478	946,478	958,978	+1,739
Operation and Maintenance, Marine Corps Reserve	117,893	123,266	143,911	126,711	138,911	+21,018
Operation and Maintenance, Air Force Reserve	1,747,696	1,728,437	1,788,091	1,760,591	1,782,591	+34,895
Operation and Maintenance, Army National Guard	2,678,015	2,903,549	3,103,642	3,156,378	3,161,378	+483,363
Operation and Maintenance, Air National Guard	3,106,933	3,099,618	3,239,438	3,229,638	3,241,138	+134,205
Overseas Contingency Operations Transfer Fund	439,400	2,387,600	1,812,600	2,087,600	1,722,600	+1,283,200
United States Court of Appeals for the Armed Forces	7,324	7,621	7,621	7,621	7,621	+297
Environmental Restoration, Army	370,640	378,170	378,170	378,170	378,170	+7,530
Environmental Restoration, Navy	274,600	284,000	284,000	284,000	284,000	+9,400
Environmental Restoration, Air Force	372,100	376,800	376,800	376,800	376,800	+4,700
Environmental Restoration, Defense-Wide	26,091	25,370	25,370	25,370	25,370	-721
Environmental Restoration, Formerly Used Defense Sites	225,000	199,214	209,214	239,214	239,214	+14,214
Overseas Humanitarian, Disaster, and Civic Aid	50,000	55,800	55,800	55,800	55,800	+5,800
Former Soviet Union Threat Reduction	440,400	475,500	456,100	475,500	460,500	+20,100
Pentagon Renovation Transfer Fund				246,439	222,800	+222,800
(By transfer)	(279,820)					(-279,820)
Quality of Life Enhancements, Defense 3/	455,000	1,845,370	800,000		300,000	-155,000
Total, title II, Operation and maintenance	84,042,814	91,268,249	93,687,750	91,894,349	92,234,779	+8,191,965
(By transfer)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000 — continued

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	House	Senate	Conference	Conference vs. enacted
TITLE III						
PROCUREMENT						
Aircraft Procurement, Army	1,388,268	1,229,888	1,590,488	1,440,788	1,451,688	+63,420
Missile Procurement, Army	1,226,335	1,358,104	1,272,798	1,267,698	1,322,305	+95,970
Procurement of Weapons and Tracked Combat Vehicles, Army	1,548,340	1,416,765	1,556,665	1,526,265	1,586,490	+38,150
Procurement of Ammunition, Army	1,065,955	1,140,816	1,228,770	1,145,566	1,204,120	+138,165
Other Procurement, Army	3,339,486	3,423,870	3,604,751	3,658,070	3,738,934	+399,448
Aircraft Procurement, Navy	7,541,709	8,228,655	9,168,405	8,558,684	8,662,655	+1,120,946
Weapons Procurement, Navy	1,211,419	1,357,400	1,334,800	1,423,713	1,383,413	+171,994
Procurement of Ammunition, Navy and Marine Corps	484,203	484,900	537,600	510,300	525,200	+40,997
Shipbuilding and Conversion, Navy	6,035,752	6,678,454	6,656,554	7,178,454	7,053,454	+1,017,702
Other Procurement, Navy	4,072,662	4,100,091	4,252,191	4,184,891	4,320,238	+247,576
Procurement, Marine Corps	874,216	1,137,220	1,333,120	1,236,620	1,300,920	+426,704
Aircraft Procurement, Air Force	8,095,507	9,302,086	8,298,313	9,918,333	8,228,630	+133,123
Missile Procurement, Air Force	2,069,827	2,359,608	2,329,510	2,338,505	2,211,407	+141,580
Procurement of Ammunition, Air Force	379,425	419,537	481,837	427,537	442,537	+63,112
Other Procurement, Air Force	6,960,483	7,085,177	6,958,227	7,198,627	7,146,157	+185,674
Procurement, Defense-Wide	1,944,833	2,128,967	2,286,368	2,327,965	2,249,566	+304,733
National Guard and Reserve Equipment	352,000	.....	130,000	250,000	150,000	-202,000
Defense Production Act Purchases	.....	.....	5,000	.....	3,000	+3,000
Total, title III, Procurement	48,590,420	51,851,538	53,025,397	54,592,016	52,980,714	+4,390,294
TITLE IV						
RESEARCH, DEVELOPMENT, TEST AND EVALUATION						
Research, Development, Test and Evaluation, Army	5,031,788	4,426,194	5,148,093	4,914,294	5,266,601	+234,813
Research, Development, Test and Evaluation, Navy	8,636,649	7,984,016	9,080,580	8,421,976	9,110,326	+473,677
Research, Development, Test and Evaluation, Air Force	13,758,811	13,077,829	13,709,233	13,489,909	13,674,537	-84,274
Research, Development, Test and Evaluation, Defense-Wide	9,036,551	8,609,289	8,935,149	9,327,155	9,256,705	+220,154
Developmental Test and Evaluation, Defense	258,606	253,457	271,957	251,957	265,957	+7,351
Operational Test and Evaluation, Defense	34,245	24,434	29,434	34,434	31,434	-2,811
Total, title IV, Research, Development, Test and Evaluation	36,756,650	34,375,219	37,174,446	36,439,725	37,605,560	+848,910
TITLE V						
REVOLVING AND MANAGEMENT FUNDS						
Defense Working Capital Funds	94,500	90,344	90,344	90,344	90,344	-4,156
Transfer stockpile balances to working capital fund	.....	67,000	.....	.....	.....	.....
National Defense Sealift Fund:						
Ready Reserve Force	311,266	257,000	257,000	257,000	257,000	-54,266
Acquisition	397,100	97,700	472,700	97,700	460,200	+63,100
(Transfer out)	(-28,800)	.....	.....	.....	.....	(+28,800)
Total	708,366	354,700	729,700	354,700	717,200	+8,834
Total, title V, Revolving and Management Funds	802,866	512,044	820,044	445,044	807,544	+4,678
TITLE VI						
OTHER DEPARTMENT OF DEFENSE PROGRAMS						
Defense Health Program:						
Operation and maintenance	9,727,985	10,477,687	10,471,447	10,527,887	10,522,647	+794,662
Procurement	402,387	356,970	356,970	356,970	356,970	-45,417
Research and development	19,500	.....	250,000	300,000	275,000	+255,500
Total, Defense Health Program	10,149,872	10,834,657	11,078,417	11,184,857	11,154,617	+1,004,745
Armed Forces Retirement Homes	.....	.....	.....	68,295	.....	.....
Chemical Agents & Munitions Destruction, Army: 1/						
Operation and maintenance	491,700	593,500	492,000	543,500	543,500	+51,800
Procurement	115,670	241,500	116,000	191,500	191,500	+75,830
Research, development, test, and evaluation	172,780	334,000	173,000	294,000	294,000	+121,220
Total, Chemical Agents	780,150	1,169,000	781,000	1,029,000	1,029,000	+248,850
Drug Interdiction and Counter-Drug Activities, Defense	735,582	788,100	883,700	842,300	847,800	+112,218
Office of the Inspector General	132,064	140,844	140,844	137,544	137,544	+5,480
Total, title VI, Other Department of Defense Programs	11,797,668	12,932,601	12,883,961	13,261,996	13,168,961	+1,371,293

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000 — continued

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	House	Senate	Conference	Conference vs. enacted
TITLE VII						
RELATED AGENCIES						
Central Intelligence Agency Retirement and Disability System Fund	201,500	209,100	209,100	209,100	209,100	+7,600
Intelligence Community Management Account	129,123	149,415	144,415	149,415	158,015	+28,892
Transfer to Dept of Justice	(27,000)	(27,000)	(27,000)	(27,000)	(27,000)	
Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund	25,000	15,000	15,000	35,000	35,000	+10,000
National Security Education Trust Fund	3,000	8,000	8,000	8,000	8,000	+5,000
Total, title VII, Related agencies	358,623	381,515	376,515	401,515	410,115	+51,492
TITLE VIII						
GENERAL PROVISIONS						
Ship Transfers (FY99 with FY2000 carryover)	-636,850	-170,000	-170,000	-170,000	-170,000	+466,850
FFRDC's/consultants	-62,000					+62,000
Defense reform initiative (DRI) Title II savings	-70,000					+70,000
National Defense stockpile transaction fund asset sale credit	-100,000					+100,000
Ellsworth AFB claims sup general provision	8,000					-8,000
Fisher Houses	1,000					-1,000
Division B - omnibus general provision (sec. 104)	2,000					-2,000
Procurement reductions	-142,100					+142,100
FY 1999 Procurement inflation Savings	-400,600			-285,600		+400,600
FY 1999 RDT&E inflation savings				-166,500		
FY 1999 Appropriations General Reduction				-3,100,000		
Information Assurance			150,000			
Guard Disaster Response			20,000			
Fuel Repricing	-502,000			-250,307		+502,000
Division B - omnibus general provision (sec. 105)	-67,000					+67,000
Additional transfer authority (sec. 8005)	(1,650,000)	(2,000,000)	(2,000,000)	(2,000,000)	(1,600,000)	(-50,000)
Indian Financing Act incentives (sec. 8024)	8,000		8,000	8,000	8,000	
Disposal & lease of DOD real property (sec. 8040)	25,000	32,200	32,200	32,200	32,200	+7,200
Overseas Military Fac Investment Recovery (sec. 8044)	38,000	4,300	4,300	4,300	4,300	-33,700
Rescissions (sec. 8058)	-415,909		-612,987	-53,405	-350,180	+65,729
Lapsed rescission	67,000					-67,000
FY 1999 Economic Adjustment (rescission) (sec. 8090)			-452,100		-452,100	-452,100
Women in Service for America Memorial (sec. 8097)			5,000		5,000	+5,000
Civilian personnel under execution (sec. 8100)				-209,300	-123,200	-123,200
Foreign Currency Fluctuations (sec. 8101)	-193,600		-171,000	-206,600	-171,000	+22,600
A-76 Studies (sec. 8108)			-100,000		-100,000	-100,000
WMD consequence management (sec. 8111)			50,000		35,000	+35,000
Travel Cards (sec. 8119)	5,000	5,000	5,000	5,000	5,000	
Recovery of DoD admin expenses from FMS (sec. 8123)			-87,000		-87,000	-87,000
Advance pay appropriation (sec. 8129)				-1,838,426	-1,838,426	-1,838,426
Transfer to Department of Transportation (sec. 8131)				(5,000)	(5,000)	(+5,000)
Aircraft leasing (sec. 8133)				11,000	19,000	+19,000
Munitions/Readiness (sec. 8134)					-100,000	-100,000
Red Cross (sec. 8137)				23,000	5,000	+5,000
United Service Organizations (sec. 8143)					5,000	+5,000
F-22 Program Transfer Account (sec. 8146)					1,000,000	+1,000,000
F-22 Program Termination Liability (sec. 8147)					300,000	+300,000
Performance Based Academic Model (sec. 8148)					5,500	+5,500
Seattle Conveyance (sec. 8153)					1,000	+1,000
Eisenhower Memorial Commission (sec. 8162)					300	+300
Rome Labs (sec. 8163)					13,000	+13,000
Aviation Support Facility (sec. 8167)					10,000	+10,000
Depot Maintenance (sec. 8169)					-400,000	-400,000
Spares (sec. 8170)					-550,000	-550,000
Base Operations (sec. 8171)					-100,000	-100,000
Munitions (sec. 8172)					-356,400	-356,400
O&M general reduction (sec. 8173)					-7,200,000	-7,200,000
O&M contingent emergency (sec. 8173)					7,200,000	+7,200,000
Total, title VIII	-2,436,059	-128,500	-1,318,587	-6,196,638	-3,350,006	-913,947
DOD-WIDE SAVINGS		-1,650,000				

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000 — continued

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	House	Senate	Conference	Conference vs. enacted
TITLE IX						
Waiver of certain sanctions against India and Pakistan	.....	.....	.....	.....	43,000	+43,000
Grand total (before emergency funding for FY99)	250,520,548	263,265,959	268,661,503	264,693,100	267,795,360	+17,274,812
EMERGENCY FUNDING FY99						
Emergency funding (P.L. 105-277):						
Title I - Readiness	5,893,053	.....	.....	.....	.....	-5,893,053
Title II - Antiterrorism	528,927	.....	.....	.....	.....	-528,927
Title III - Y2K conversion	1,100,000	.....	.....	.....	.....	-1,100,000
Supplemental (H.R. 1141)	8,573,969	.....	.....	.....	.....	-8,573,969
Total, Emergency funding for FY99	16,095,949	.....	.....	.....	.....	-16,095,949
Adjusted total (including emergency funding for FY99)	266,616,497	263,265,959	268,661,503	264,693,100	267,795,360	+1,178,863
CONGRESSIONAL BUDGET RECAP						
Scorekeeping adjustments:						
Adjustment for unapprop'd balance transfer (Stockpile)	150,000	150,000	150,000	150,000	150,000	.....
Stockpile collections (unappropriated)	-150,000	-150,000	-150,000	-150,000	-150,000	.....
Emergency funding	-7,521,980	.....	.....	.....	.....	+7,521,980
Emergency funding	-8,573,969	.....	.....	.....	.....	+8,573,969
Spectrum auction (sec. 8124)	.....	.....	-2,600,000	-2,600,000	-2,600,000	-2,600,000
Subtotal	-16,095,949	.....	-2,600,000	-2,600,000	-2,600,000	+13,495,949
Advance pay appropriation (P.L. 106-31)	.....	.....	1,838,426	1,838,426	1,838,426	+1,838,426
Total adjustments	-16,095,949	.....	-761,574	-761,574	-761,574	+15,334,375
Adjusted total (including scorekeeping adjustments)	250,520,548	263,265,959	267,899,929	263,931,526	267,033,786	+16,513,238
Appropriations	(250,869,457)	(263,265,959)	(268,965,016)	(263,984,931)	(267,836,066)	(+16,966,609)
Rescissions	(-348,909)	.....	(-1,065,087)	(-53,405)	(-802,280)	(-453,371)
RECAPITULATION						
Title I - Military Personnel	70,607,566	73,723,293	72,011,977	73,855,093	73,894,693	+3,287,127
Title II - Operation and Maintenance	84,042,814	91,268,249	93,687,750	91,894,349	92,234,779	+8,191,965
(By transfer)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	.....
Title III - Procurement	48,590,420	51,851,538	53,025,397	54,592,016	52,980,714	+4,390,294
Title IV - Research, Development, Test and Evaluation	36,756,650	34,375,219	37,174,446	36,439,725	37,605,560	+848,910
Title V - Revolving and Management Funds	802,866	512,044	820,044	445,044	807,544	+4,678
Title VI - Other Department of Defense Programs	11,797,668	12,932,601	12,883,961	13,261,996	13,168,961	+1,371,293
Title VII - Related agencies	358,623	381,515	376,515	401,515	410,115	+51,492
Title VIII - General provisions	-2,436,059	-128,500	-1,318,587	-6,196,638	-3,350,006	-913,947
DoD-wide savings	.....	-1,650,000	.....	.....	.....	.....
Total, Department of Defense (in this bill)	250,520,548	263,265,959	268,661,503	264,693,100	267,752,360	+17,231,812
Funds provided in Supplemental Acts	16,095,949	.....	1,838,426	1,838,426	1,838,426	-14,257,523
Total DoD funding available	266,616,497	263,265,959	270,499,929	266,531,526	269,590,786	+2,974,289
Title IX - India and Pakistan waiver of sanctions	.....	.....	.....	.....	43,000	+43,000
Other scorekeeping adjustments	-16,095,949	.....	-2,600,000	-2,600,000	-2,600,000	+13,495,949
Total mandatory and discretionary	250,520,548	263,265,959	267,899,929	263,931,526	267,033,786	+16,513,238
RECAP BY FUNCTION						
Mandatory	201,500	209,100	209,100	209,100	209,100	+7,600
Discretionary	250,319,048	263,056,859	267,690,829	263,722,426	266,824,686	+16,505,638

1/ Included in Budget under Procurement title.

2/ FY 2000 budget request was increased by $3,000,000 for a mistake in the budget appendix.

3/ FY 2000 budget amendment added $1,845,370,000.

4/ The total recommended for Title I was reduced by $1,838,426,000, the amount provided in the FY 1999 Supplemental for advance funding of pay and retirement reform initiatives.

Mr. MORAN of Virginia. Mr. Speaker, I rise in support of the conference agreement to H.R. 2561, making FY 2000 appropriations to the Department of Defense.

As a Member of the Defense Appropriations Subcommittee, I would like to take this opportunity to recognize the strong bipartisan leadership exhibited by Chairman LEWIS and Congressman MURTHA in developing this conference report.

Confronted with the difficult task of negotiating an agreement between two vastly different bills, their bipartisan approach should serve as a model of how this entire body should work.

We have produced a strong bill that makes a number of critical investments in our nation's military, most especially the people who serve our country.

This bill funds a 4.8 percent pay increase for our military personnel and an additional $399 million to support DOD's recruiting and retention efforts such as elimination of the so-called REDUX policy.

After many long hours of negotiation, we reached a compromise on the F–22 program that will require further testing of the F–22 aircraft and make procurement of the aircraft contingent on the F–22 passing certain performance tests.

This action sends a signal to the entire defense establishment that, given the demands on today's military forces, we cannot back away from some difficult choices concerning our weapons modernization programs.

This bill carefully balances all facets of our military budget in order to sufficiently invest in hardware without shortchanging our military personnel.

For this reason, we should exercise every opportunity to demand excellence and efficiency from the money we appropriate.

I am optimistic that the outcome of this conference will set a precedent for how our subcommittees must balance our nation's defense spending priorities in today's post-Cold War era.

We have undertaken a serious debate on how to develop and procure the best weapons technology and military equipment available today without shortchanging readiness and quality-of-life issues that are equally critical to the men and women who serve in our military.

I would also like to commend the staff from both subcommittees for their assistance to my office and, most especially, their tireless work in developing this conference agreement. Their professionalism throughout this process is to be highly commended.

I have benefitted from the tremendous expertise and institutional knowledge my esteemed colleagues who sit on this Subcommittee and am proud to support this conference report.

I urge my colleagues to vote for this agreement and promptly send it to the President for this signature which I trust it will secure.

Mr. VENTO. Mr. Speaker, I rise in strong opposition to this Defense bill. I am concerned that this bill does not fit within existing priorities and will make it extraordinarily difficult to address budget reality. This measure appropriates $267 billion—$4.5 billion over the Administration request and $8 billion when all aspects of 2000 spending are calculated. Moreover, $5 billion has been added to advance previous 1999 emergency bills. Overall, this bill easily represents a $20 billion increase in defense spending for 2000—a year when the overall category is supposed to decrease under the caps by some $25–30 billion and collectively translates into a $50 billion reduction from other programs in the budget!

H.R. 2561 relies heavily upon budget gimmicks. The GOP uses over $10 billion in budget slight of hand, suggesting that spending is reduced by $1 billion by simply delaying defense contracts, declaring $7.2 billion in emergency spending to beat the budget caps and claiming over $2 billion credit for sale of the electromagnetic spectrum. These actions defy common sense and the net effect will result clearly in higher spending and this House ought to acknowledge the impact rather than invest in scapegoats.

Surprisingly, the Republicans opted to undermine peacekeeping efforts in the Balkans by not providing any funds for the ongoing operations in Kosovo. By such action, the GOP has turned their backs on the U.S. role in NATO and our involvement within the Balkans. It is imperative that this Congress continue to maintain our commitment in this troubled region by supporting the important peacekeeping mission in Kosovo. No doubt a supplemental spending bill will appear in the near future to fund this and other short changed commitments.

How can we justify appropriating a whopping $4 billion to a national missile defense system that is out of line with the 1972 Anti-Ballistic Missile Treaty and which on technical grounds has failed to perform? This flawed policy at its worst will invite a new arms race, thus trashing a treaty for a missile defense system of dubious performance. Nonetheless, the Republican led House has found a way to waste federal resources on a budget busting and ineffective missile defense when reports suggest that soldiers are living in substandard housing and quitting in droves.

This Conference Agreement provides over billions for aircraft not requested. Specifically, the funding for the KC 130J Hercules alone is $600 million and the National Defense Sealift is $717 million, representing $320 million over the Administrations request. Others collectively include bombers, fighters and helicopters which well exceed $1.1 billion beyond the Presidents request and numerous other procurement programs that go off the deep end.

The most controversial aircraft in this bill is the F–22. This Air Force modernization project was constructed to counter the soviet Union and is estimated to cost well over $40 billion, or $14–$18 billion a year, greater than the cumulative budget of several Federal Departments combined a year, when in full production for one aircraft program. Fortunately, common sense and reality limited funding for such in this bill. However, this measure does provide $1 billion to research and develop ''test'' aircraft. No doubt the advocates of the F–22 will live to fight another day and will be well fed during the interim.

Congress should keep in mind that we just don't need smart weapons, but smart soldiers and sailors. Our priorities should concentrate on investing in the men and women in the Armed Forces. Such paramount investment constitutes health care and education opportunities for our soldiers and future generations long before they put on a uniform Unfortunately, this bill and its distorted priorities precludes possible investment in people in other parts of the budget. This represents the classic slogan—''guns vs. butter''. We can't have both. This measure takes us down the path of investment in hardware, not personnel.

I agree with the important and much needed military pay and pension increases and health care for our military personal, but not the pension changes. This increased military spending brings big budget problems for tomorrow and years ahead. It is my hope that this Republican led Congress will face up to the inflated costs inherent in the policy blueprint of this measure and get their heads out of clouds and feet back on the ground of the real world.

This measure set us on a policy path where expensive weapon systems and hardware costs soak up all the available funds committing us to a faulty military policy and short changing key people programs. Such people programs are essential to our nation's security both economic and militarily.

Mr. STARK. Mr. Speaker, I rise today in opposition to H.R. 2561, the Defense Appropriations bill for Fiscal Year 2000. Spending on the F–22 is only a small portion of an already bloated Defense Appropriations bill. The House of Representatives will vote today on spending $267.8 billion for the Department of Defense. The GOP is unable to come up with adequate funding for Labor-HHS, yet they have mysteriously come up with $267.8 billion for defense spending. I have a suggestion for the leadership—cut wasteful defense programs.

The Air Force can expect to receive approximately $1 billion to develop ''test'' F–22 aircraft and $1.2 billion for research and development on the plane. Lockheed Martin's K Street lobbyists are certain to get a bonus in their stocking at Christmas. Thanks to Lockheed's relentless lobbying efforts and shrewd production prowess, the company was able to convince House and Senate conferees that the program really is worthwhile.

The Department of Defense has spent $18 billion on the F–22 since the mid-1980's. The project is too expensive and simply not needed. The program was initiated in 1981 to meet the threat of next generation Soviet aircraft. However, that threat no longer exists. The war in Kosovo is the perfect example of why the U.S. does not need the F–22. The current fleet of F–15s and F–16s demonstrated U.S. dominance in the air in Kosovo. Proponents of the F–22 claim that the aircraft is far superior than the F–15 in air to air combat. This may be true, but we never had air to air combat in Kosovo and we don't need anything superior. The Yugoslav Air Force never engaged the U.s. in air to air combat because they would have faced defeat much sooner. No nation in the world comes close to challenging U.S. air dominance. But there are many nations whose children's elementary and secondary school aptitude tests far exceed those of the U.S.

We must ask ourselves, where are our priorities? When is classroom size reduction, providing health insurance to 11 million children and full prescription drug coverage to 40 million elderly going to be a priority for this Congress? It is deplorable and shameful that the wealthiest industrial nation cannot afford quality health care or adequate education. Yet at the same time, our nation is able to boast of its air dominance and insist on more.

I urge my colleagues to join me in saying, ''enough is enough.'' I urge a no vote on H.R. 2561.

Mr. MOORE. Mr. Speaker, I rise today in support of H.R. 2561, the defense appropriations conference report, but with reservations. I voted for this conference report because I believe in a strong national defense and I support the men and women who risk their lives to defend our nation. I am, however, strongly opposed to the manner in which this conference report funds these important functions. I believe in a strong defense, not the budget gimmicks that the majority uses to hide the actual amount of spending in the bill.

I voted in favor of a 4.8 percent pay increase for military personnel who risk their lives for this country, not an agreement that shifts spending of an estimated $10.5 billion our of fiscal year 2000 and pushes personnel payments into the next fiscal year. I voted in favor of our commitment to providing the strongest defense in the world, not delaying over $1.3 billion in payments to defense contractors. I voted in favor of new defense technologies that will save lives, not for projects like the F–22 that my colleague from California, the Chairman of the Defense Appropriations Subcommittee says, ''has become a burden on the rest of the military.''

Mr. Speaker, I am offended by the manner in which this Congress is proceeding with its fiscal duties. Shifting $10.5 billion of FY 2000 dollars to FY 2001, delaying contractor payments into the next fiscal year and declaring a $7.2 billion in ''emergency'' is not being fiscally responsible and it is not being honest with the American people about adherence to budget caps.

On September 29th, the non-partisan Congressional Budget Office released a letter stating that Congress has already broken the budget caps and has already consumed over $18 billion of the Social Security surplus. Mr. Speaker, as we move forward in the appropriations process, I hope both parties will work together to preserve and protect Social Security and Medicare, while providing for our country's basic needs. I hope the leadership will choose to keep faith with Americans and stop resorting to these kinds of budget gimmicks, which only seek to deceive people about the federal budget.

Mr. BENTSEN. Mr. Speaker, I rise today in support of H.R. 2561, the Fiscal Year 2000 Department of Defense Appropriations bill. This bill will provide $267 billion for defense programs which is sufficient to meet the needs of today's military. However, I am concerned that $18 billion of this bill has been designated as ''emergency spending'' and would therefore not be subject to the budgetary caps included in the Balanced Budget Act of 1997. I support providing additional resources to the Department of Defense, but I believe that we must be honest with the American people in reconciling our need for additional defense spending with our ability to do so under the existing budget caps.

I would like to highlight an important project included in this bill that would provide $10 million for the Disaster Relief and Emergency Medical Services (DREAMS) program. This is the third installment on funding for DREAMS that would help to save lives and reduce health care costs. In 1997, Congress provided $8 million for DREAMS and in 1999, $10 million for DREAMS. These federal funds have been leveraged with State of Texas funding, financial support from the National Institutes of Health and the ANA and philantrophic sources.

DREAMS is a joint Army research project with the University of Texas Houston Health Science Center and Texas A&M University System. The DREAMS project will demonstrate in both civilian and military terms how to attend to wounded soldiers from remote locations during emergency situations. The project will fund three different research projects, including Emergency Medical Services (EMS), diagnostic methods and therapies for shock injuries, and chemical as well as biological warfare defense.

The EMS program will use emergency helicopters to fly directly to injured persons and treat these individuals after a trauma injury. Using the fiber-optic traffic monitoring system already being used in Houston, the DREAMS project will help helicopters to reach their victims faster. The second part of this EMS program is to collect real-time patient data and relate this information back to trauma physicians to make immediate diagnosis and recommended treatments.

The chemical and biological warfare program will help to develop chemical sensor tests to treat victims on toxic substances. In addition, DREAMS in developing mechanisms for the biological decontamination and detoxification of these chemical agents. The City of Houston is an ideal location for these tests because of that large number of petrochemical and industrial facilities located in our area.

The diagnostic methods and therapies program will determine possible applications to treat patients during the ''golden hour'' following a traumatic injury. These methods will include mechanisms to treat the decreased blood flow that is common in many trauma patients. This project is also exploring how to prevent cell death as a result of traumatic injury. The DREAMS project will yield new results and procedures to help patients become stabilized before sending them to trauma centers.

I am pleased that Congress has included this vitally important research funding and urge my colleagues to support this measure.

Mr. BLUMENAUER. Mr. Speaker, I rise today in opposition to the conference report for Defense Appropriations for Fiscal Year 2000. This bill is replete with budget gimmicks that seek to mask the true cost of funding the Department of Defense, such as declaring billions of spending to be an arbitrary ''emergency'' and delaying payments to defense contractors. Unfortunately, those gimmicks cannot hide the fact that this bill exceeds the Pentagon's request by $8 billion, with much of that money spent on unnecessary and even unrequested projects such as $264.3 million for the C–130 airplane and $375 million to build the LHD–8 ship in Mississippi. This bill also does not meet our commitments to fund current peacekeeping operations or reconstruction in Kosovo. This sends a disturbing message to the rest of the world that we are not willing to keep our promises to our allies in times of crisis. For these reasons, among others, I am voting against this conference report.

Mr. HOLT. Mr. Speaker, I rise today in support of H.R. 2561, the FY 2000 Defense Appropriations Bill.

There are a number of good things in the bill and I applaud the Members of the Subcommittee for their efforts. I applaud the inclusion of $165 million to boost the military pay raise to 4.8 percent, increasing the 4.4 percent raise that was funded in the FY 1999 emergency supplemental.

While I intend to vote for the package today, I remain extremely concerned about the manner in which this bill fits into the overall budget picture and about the number of budgetary gimmicks included in the legislation.

The bill is $3.8 billion over the President's request. The bill provides $267.1 billion for various defense programs in FY2000, $269.7 billion if spectrum asset sales are excluded. Of this amount, $7.2 billion of routine Operation and Maintenance appropriations are designated as ''emergency'' for budget scoring purposes, and an additional $10.5 billion in outlays are not counted under the budget caps due to ''directed scoring'' to the CBO by House leadership.

While it is not clear if the President will sign this bill, I am hopeful that he will examine this legislation in the context of the important needs our government has left to fund for the next fiscal year.

Mr. SPRATT. Mr. Speaker, when combined with defense appropriations in the Military Construction and Energy and Water bills, the Defense Appropriations Conference Report for FY 2000 brings total defense funding to $289 billion, $7.4 billion more than the President requested. This level of spending is above the ceiling imposed by the Balanced Budget Act of 1997; and since the on-budget surplus of $14.4 billion in FY 2000 has been committed already by other appropriations bills, this spending level could lead to borrowing from the Social Security surplus in FY 2000.

To avoid the appearance of being over the caps and into Social Security, the conference report resorts to a number of ''gimmicks.'' It classifies $9 billion in new budget authority as ''emergency spending.'' It directs that outlays in FY 2000 be scored at $10.5 billion less than CBO estimates. As an offset to extra spending, it includes non-germane provisions that direct spectrum sales in FY 2000, although CBO deems them improbable, and it scores the proceeds of the spectrum sales at $2.6 billion, although CBO disputes any proceeds in FY 2000.

I support most of the defense spending in this agreement, but not the ''gimmicks.'' This is no way to budget. This report allows ''spending caps'' and ''emergency spending'' to mean whatever the majority says they mean. It disregards CBO's scorekeeping, despite its track record for accuracy, and by fiat inserts outlay estimates of its own. These rules, disciplines, and procedures have helped us achieve the first budget surpluses in thirty years. If we treat these rules in the cavalier way this report treats them, our on-budget surpluses are not destined to last long, and we may soon find ourselves borrowing again from Social Security.

This conference agreement provides $269.4 billion in discretionary budget authority (BA) for defense in FY 2000. This includes $9.0 billion in emergency funding and $2.6 billion in funding that is ''offset'' by spectrum sales (more details below). Of the $9.0 billion in emergency funding, $1.8 billion was previously appropriated in the Kosovo Emergency Supplemental bill for military pay raises. In conference, $7.2 billion in Operations and Maintenance (O&M) funding already included in the House bill was designated as an emergency. The purpose of this increase was not to increase the total amount of defense funding

(the conferees actually cut the House bill). Rather, it was to raise the caps and create room for an increase to the allocations of other subcommittees, such as Labor-HHS-Education.

According to the Appropriations Committee's press release, the gross total of the bill (including emergencies) is almost $900 million less in BA (and $3.3 billion less in outlays) than the House-passed version of the bill, but $17.3 billion more in BA than the 1999 appropriated level excluding emergencies. According to the press release, the following accounts were increased. (Figures are dollar increases compared to President's request except Military Personnel.):

O&M—$1.0 billion.

Procurement—$1.1 billion.

R&D—$3.2 billion.

Military Personnel—4.8% pay raise vs. 4.4% pay raise.

BUDGET GIMMICKS IN THE BILL

Emergency Declaration: Besides the $1.8 billion for ''emergency pay'' contained in the Kosovo Supplemental, the conference report declares $7.2 billion BA for routine O&M activities to be an emergency even though these activities were not declared emergencies in either the original House or Senate bills. This gimmick is intended to help other subcommittees, not the defense subcommittee, because the emergency will increase the total caps, and money is fungible. To facilitate this kind of chicanery, the Senate has adopted a new rule, which requires 60 votes to declare a non-defense emergency, but only a simple majority to declare a defense emergency.

Delaying Contractor Payments: The conference report included two provisions, sections 8175 and 8176, not found in either the original House or Senate bills, that relax the time table for Pentagon payments to defense contractors by an extra amount of time ranging from five to seven days longer than current practice, depending on the type of payment. This will result in slipping about $1.250 billion in outlays from FY 2000 into FY 2001.

Scoring Adjustments: Several adjustments have been made to CBO's scoring of appropriations bills that contain defense funding:

(1) Outlay ''plugs'' or ''directed scorekeeping'' total $10.533 billion. As explained below, this consists of $9.7 billion in general scorekeeping of outlays and $833 million related to contingent emergencies.

(2) $2.6 billion has been added as a ''credit'' for provisions that direct the Federal Communications Commission to conduct a spectrum auction.

CBO does not believe that the spectrum auction of television frequencies can be completed in 2000, and scores its revenue potential at zero for FY 2000. If the spectrum sales were to occur on a more reasonable schedule, CBO believes they would only raise $1.9 billion, not $2.6 billion. The $9.7 billion plug is supposed to represent the difference between OMB and CBO scoring of the President's budget, but that figure includes the difference in contingent emergencies between OMB and CBO. Nevertheless, CBO is ordered to count contingent emergencies twice for a total of $10.533 billion in ''plugged outlays,'' $833 million more than the discrepancy between CBO and OMB.

SUMMARY OF GIMMICKS

[In billions of dollars]

	BA	Outlays
Directed scorekeeping or plugs	0.000	10.533
Spectrum sales	2.600	2.600
New ''emergencies''	9.038	6.591
Delayed contractor payments	0.000	1.250
Total	11.638	20.974

BUDGET VARIANCE REPORT

The following table compares current defense spending levels with levels specified in the Balanced Budget Act of 1997:

COMPARING DEFENSE PLANS: BBA VS. PRESIDENT'S CURRENT PLAN VS. REPUBLICAN RESOLUTION

[In billions of dollars]

	2000	2001	2002	2000–2002 total
Balanced Budget Agreement of 1997 (BBA):				
Budget authority	277.3	281.9	289.7	848.8
Outlays	275.7	272.8	273.9	822.4
President's current plan:				
Budget authority	283.4	301.3	303.2	888.0
Outlays	280.3	284.4	293.3	858.0
Republican FY 2000 budget resolution:				
Budget authority	291.8	304.8	309.3	905.9
Outlays	283.4	288.9	293.4	865.7
President above/below BBA (squeeze on NDD):				
Budget authority	6.2	19.4	13.5	39.1
Outlays	4.6	11.6	19.4	35.6
Republican above/below BBA (squeeze on NDD):				
Budget authority	14.6	22.9	19.6	57.1
Outlays	7.7	16.1	19.5	43.3
Republican above/below President (squeeze on NDD):				
Budget authority	8.4	3.5	6.1	18.0
Outlays	3.1	4.5	0.1	7.7

Notes: (1) The BBA has been adjusted for emergencies, both released and anticipated to be released. (2) The President's plan is from the June Mid-Session Review and includes emergencies, both released and anticipated to be released. (3) the Republican Budget Resolution has been adjusted for emergencies, both released and anticipated to be released. (4) the 1998 and 1999 levels in both the President's plan and the Republican plan are per OMB, actual for 1998 and estimated for 1999. (5) All emergencies are per OMB estimates.

This bill departs from the Balanced Budget Act of 1997, and leaves in its wake a lot of budget problems. For instance, in August 2000, when CBO and OMB do their reviews of the budget, outlays could easily be tracking CBO's projections, in which case outlays would be $11.6 billion greater than the estimates plugged into this report. Or consider the next fiscal year, FY 2001. The discretionary spending cap will be coming down in FY 2001 while defense spending will be going up, up by $22.9 billion in BA and $16.1 billion in outlays above the Balanced Budget Act ceilings. Gimmicks may get this bill over the threshold, but they may not last the full fiscal year, and may make budgeting in the next fiscal year far more difficult. This is the wrong way to run a budget.

Mr. LEWIS of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 372, nays 55, not voting 7, as follows:

[Roll No. 494]

YEAS—372

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (VA)
Deal
DeLauro
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ewing
Farr
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kilpatrick
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush

Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—55

Ackerman
Baldwin
Barrett (WI)
Blumenauer
Boswell
Brown (OH)
Capuano
Conyers
Davis (IL)
DeFazio
DeGette
Delahunt
Deutsch
Doggett
Ehlers
Eshoo
Fattah
Filner
Ganske
Green (WI)
Hefley
Hooley
Jackson (IL)
Kind (WI)
Kucinich
Lee
Lofgren
Luther
Markey
McCarthy (MO)
McDermott
McGovern
McKinney
Miller, George
Minge
Nadler
Oberstar
Obey
Olver
Owens
Paul
Payne
Peterson (MN)
Rangel
Rivers
Sanders
Schakowsky
Shays
Stark
Upton
Velazquez
Vento
Waters
Watt (NC)
Waxman

NOT VOTING—7

Carson
Danner
Jefferson
Kennedy
McCarthy (NY)
Scarborough
Wise

□ 1146

Messrs. DAVIS of Illinois, RANGEL, and OLVER, and Ms. MCKINNEY changed their vote from ''yea'' to ''nay.''

Mrs. MEEK of Florida and Mr. UDALL of Colorado changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. KENNEDY of Rhode Island. Mr. Speaker, on rollcall No. 494, the conference report on H.R. 2561, the Defense Appropriation Act of FY 2000, had I been present, I would have voted "yea."

Mrs. McCARTHY of New York. Mr. Speaker, due to circumstances beyond my control, I was unable to vote on the Defense Appropriations Conference Report. Had I been present, I would have voted ''yes'' on rollcall vote No. 494.

EXPORT ENHANCEMENT ACT OF 1999

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 327 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 327

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1993) to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the bill modified by the amendments recommended by the Committee on International Relations now printed in the bill. Each section of that amendment in the nature of a substitute shall be considered as read. No amendment to that amendment in the nature of a substitute shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and except pro forma amendments for the purpose of debate. Each amendment so printed may be offered only by the Member who caused it to be printed or his designee and shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 327 is a modified, open rule providing for the consideration of H.R. 1993, the Export Enhancement Act of 1999. The rule provides for one hour of general debate, equally divided between the chairman and the ranking minority member of the Committee on International Relations.

The rule makes in order the Committee on International Relations amendment in the nature of a substitute as an original bill for the purpose of amendment.

Further, the rule provides for the consideration of only pro forma amendments and those amendments preprinted in the CONGRESSIONAL RECORD prior to their consideration, which may be offered only by the Member who preprinted it or by his designee, and shall be considered as read.

As has become standard practice, the rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce voting time to 5 minutes on postponed questions if the vote follows a 15 minute vote.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, I believe this is an appropriate rule for the consideration of this legislation. It is legislation to reauthorize several very important United States investment trade promotion programs, including the Overseas Private Investment Corporation known as OPIC, the Trade and Development Agency and the export functions of the International Trade Administration of the Department of Commerce.

OPIC's authority to operate lapsed on September 30, but it was extended by the continuing resolution on an emergency basis for only a few days more. This bill must pass the House and the Senate, as you know, in identical forms and be signed by the President in a very short time frame if these programs are to be able to continue uninterrupted. Therefore, I think that the preprinting requirement in this rule is an appropriate manner to allow interested Members to offer amendments while expediting the bill's consideration.

H.R. 1993, the underlying legislation, reauthorizes most commercial export promotion programs that involve the United States Government. OPIC is authorized for 4 years and continuing under this bill will be able to continue its self-sustaining operations without raising its liability ceiling, which is an improvement and a significant change over the bill that was considered in the 104th Congress.

In addition, H.R. 1993, the underlying legislation, codifies the cost-sharing and success fees of the Trade and Development Agency and provides the Agency with $48 million, the amount requested by the President. It also provides funding for all and reauthorizes three programs of the International Trade Administration in the Commerce Department, $202 million for the U.S. and Foreign Commercial Service, $68 million for the Trade Development Program, and $4 million for the Market Access and Compliance Program.

I am encouraged that the bill directs the Department of Commerce to create a special initiative to promote trade opportunities and remove market barriers in sub-Saharan Africa and in Latin America. Obviously, Latin America is a tremendous export market for

the United States and very important to the United States economy.

I believe that this is a fair rule and it brings forth a very good underlying bill. I commend my colleagues, the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations; the gentleman from New Jersey (Mr. MENENDEZ) and the gentleman from Illinois (Mr. MANZULLO) and the others who have worked very hard on this legislation for advancing the bill. I certainly share their support for this important piece of legislation.

Mr. Speaker, House Resolution 327 is a fair rule. I would urge, and I do urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume. I want to thank the gentleman from Florida (Mr. DIAZ-BALART) for yielding me this time.

This rule will allow for consideration of H.R. 1993, which is the Export Enhancement Act of 1999.

As my colleague from Florida has explained, this rule provides for 1 hour of general debate to be equally divided and controlled by the Chairman and ranking minority member of the Committee on International Relations. Under this rule, only amendments which have been preprinted in the CONGRESSIONAL RECORD will be in order.

The bill reauthorizes the Overseas Private Investment Corporation. It also authorizes appropriations for the Trade and Development Agency and the International Trade Administration of the Commerce Department.

Foreign trade is a critical element of our national economy. An estimated 12 million American jobs are directly tied to U.S. exports. The Overseas Private Investment Corporation is an important part of our government's efforts to increase exports and create American jobs; and in the past 25 years, the corporation has generated about 237,000 jobs and $58 billion in exports. This is done through self-generating revenues, not with taxpayer-supported dollars.

This bill contains important initiatives. The Overseas Private Investment Corporation is directed to increase support for small businesses. The Commercial Service is required to station employees in at least 10 countries in sub-Saharan Africa. The International Trade Administration is required to develop an outreach program to increase exports for minority-owned businesses.

Mr. Speaker, this is a good bipartisan bill. It appears to have strong support on both sides of the aisle. Unfortunately, the rule does permit only amendments that have been preprinted in the CONGRESSIONAL RECORD. This restriction is unnecessary.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations, and at the same time commend him once again for his hard work on this legislation.

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

□ 1200

Mr. GILMAN. Mr. Speaker, I rise in support of the rule governs the consideration of the Export Enhancement Act of 1999, H.R. 1993. This bill reauthorizes several important U.S. investment trade promotion programs, including the Overseas Private Investment Corporation, OPIC; the Trade and Development Agency, the TDA; and the export functions of the International Trade Administration, ITA, of the Department of Commerce.

OPIC's authority to operate lapsed on September 30, but it has been extended by the continuing resolution on an emergency basis. The stop-gap funding measure will keep this important agency in operation only through the next 10 days. It is vitally important that we consider the Export Enhancement Act as soon as possible, and that we forward this bill to the President for his signature.

Reconciling its provisions with the Senate counterpart OPIC authorization will take additional time, a commodity in increasingly short supply as we approach of the end of our legislative session.

This rule, Mr. Speaker, would provide the best prospects for its prompt enactment, a goal which will boost our exports and level the competitive playing field for our companies that are facing stiff competition and exclusionary practices around the world.

For exporters, OPIC, TDA, and the ITA programs all provide practical assistance in their fight to win export sales in highly competitive overseas markets.

The act reauthorizes OPIC for 4 years, continuing its self-sustaining operations without raising OPIC's liability ceiling. OPIC provides our American companies political risk insurance and project financing for U.S. investments in developing nations and emerging economies. It has undertaken new initiatives in Africa, in Central America, in the Caribbean, and the Caspian Basin, and has stepped up efforts to help more small businesses enter the global economy.

Mr. Speaker, over the past 2½ decades OPIC has generated some 237,000 jobs and $58 billion in exports. Producing a net income of $139 million just in fiscal year 1998 alone, its reserves reached a record level of $3.3 billion. It is anticipated that the OPIC agency will contribute $204 million in fiscal year 2000 to support all the other activities and programs in the international affairs budget.

According to a September, 1997, GAO report to our committee, and I quote, ''Historically, OPIC's combined finance and insurance programs have been profitable and self-sustaining, including costs due to credit reform and administration.''

With 12 million American jobs now directly tied to U.S. exports, there could be little doubt that the trade promotion agencies authorized in this legislation play a critically important role in our economy. Recently announced trade statistics showing declining U.S. exports underscores the urgency of promptly enacting this measure.

Mr. Speaker, according to the most recent Commerce Department reports, in 1998 U.S. exports actually declined below their level from the preceding year for the first time in over a decade. That decline, together with steadily rising imports, has contributed to a 1998 U.S. trade deficit of $169 billion, nearly $60 billion higher than in 1997. In current trends, this deficit is expected to top $200 billion later on this year.

Accordingly, Mr. Speaker, I urge the adoption of this rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

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

Mr. TRAFICANT. Mr. Speaker, Japan continues to violate market access commitments in the form of denying rice imports from American farmers. India denies market access to the United States motion picture industry. The European Union denies market access in so many areas it is now legend.

The gentleman from New York (Chairman GILMAN) talked about a $167 trade deficit. Let me upgrade that for the projection for next year. The last quarter of 3 months was $87 billion. If that is annualized, we are talking about $340-some billion in trade deficits in 1 year, more than a third of a trillion dollars. It is unbelievable.

I have an amendment for this bill that changes section 6(d). The bill calls for a report on violations on those trade agreements we have. The Traficant amendment maintains that, but requires that report to be made to Congress. But also it requires the International Trade Administration to also tell us what is the market access of every country, and it stipulates a set of criteria specifying those countries with trade surpluses with America, and telling us what products we could be selling there, what market access is being denied, and what would that impact be on American jobs.

I know we have a lot of different trade reports, a lot of different legislation. I have talked with the respective chairmen. They may want to, at the proper time or in conference, move this into the reporting mechanism so it is not as duplicative, if it is.

However, the market access information is most important. I want the Congress to know when this amendment comes up, it does not only deal with the report to Congress on those countries that are violating our trade

agreements, but also for the International Trade Administration to tell us what is available in those countries if we opened up and got those free markets.

With that, I am hoping that the committee will look favorably upon the amendment. I am willing to tailor any language necessary to conform it with the final goals.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think that the rule is fair. The underlying legislation is obviously extraordinarily important. Mr. Speaker, I would urge support not only for the rule but for the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 1993, the Export Enhancement Act, and specifically in support of the Overseas Private Investment Corporation. Since 1971, OPIC has worked with U.S. investors who do business overseas by supporting projects where private financing and insurance are unavailable or insufficient.

OPIC provides insurance against political risk, financing assistance through loans and loan guarantees, and financing for private investment funds that provide equity to businesses overseas.

OPIC also acts as an important advocate for American businesses in foreign countries. The facilitation of private investments overseas provides benefits for the American economy. Since 1971, OPIC has paved the way for upwards of $58 billion in exports and the creation of over 200,000 jobs.

Today OPIC supports U.S. businesses in 140 countries. Perhaps, most importantly, this successful program is self-sustaining and operating at no cost to the American taxpayer. An important part of OPIC's work is focusing on and helping small businesses. I look forward to voting in favor of this legislation, not only the rule but the underlying bill, that will reauthorize the program through 2003. I urge my colleagues to do the same.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I thank the gentleman for yielding time to me.

As one of the cosponsors with the gentleman from Illinois (Mr. MANZULLO) on this legislation, I want to rise to support the rule and also support the legislation. This is one of those pieces of legislation that has been worked on in a bipartisan effort. It has many Democrat cosponsors on it. It is one that brings us together on the issue of trade because it is about creating American jobs at home and making sure that America is competitive abroad.

I know that during the debate we will hear different views of that, but the fact of the matter is that this is an agency that gives money to the Federal Treasury, that ultimately promotes American interests abroad, that creates jobs at home, and at the end of the day, also serves America's national foreign policy interests by having our entrepreneurs abroad engage in those economies.

So for all of those reasons, I urge adoption of the rule, and I urge adoption of the underlying legislation.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, again supporting the rule, supporting the underlying legislation, I also yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 327 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, (H.R. 1993).

□ 1210

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1993) to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from New Jersey (Mr. MENENDEZ) each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

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

Mr. GILMAN. Mr. Chairman, I rise in support of the Export Enhancement Act of 1999, H.R. 1993, and I would like to commend the gentleman from Illinois (Mr. MANZULLO), the author of this important legislation, and the ranking minority member, the gentleman from Connecticut (Mr. GEJDENSON), and the gentleman from New Jersey (Mr. MENENDEZ) for their support.

This bill reauthorizes several U.S. investment and trade promotion programs, including the Overseas Private Investment Corporation, OPIC; the Trade and Development Agency, TDA; and the export functions of the International Trade Administration, ITA, all of the Department of Commerce.

OPIC's authority to operate lapsed September 30, but it has been extended by the continuing resolution on an emergency basis. That stopgap funding measure will keep this important measure in operation only through the next 10 days, until October 22. It is vitally important that we consider the Export Enhancement Act as expeditiously as possible and that we submit this bill to the President for his signature. Reconciling its provisions with the Senate counterpart OPIC authorization will take additional time, a commodity that is in increasingly short supply as we approach the end of our legislative session.

For exporters, OPIC, TDA, and ITA programs all provide practical assistance in their fight to win export sales in highly competitive overseas markets. The administration fully supports enactment of this measure, and has just released a statement of administration position pointing out its substantial benefits for our American workers.

The Act reauthorizes OPIC for 4 years, continuing its self-sustaining operations without raising OPIC's liability ceiling. OPIC provides American companies political risk insurance and project financing for U.S. investments in developing nations and in an emerging economies. It has undertaken new initiatives in Africa, in Central America, and in the Caribbean and the Caspian Basin, and has stepped up our efforts to help more small businesses enter the global economy.

Over the past 2½ decades, OPIC has generated some 237,000 jobs and $58 million in exports. Producing a net income of $139 million just in the last fiscal year of 1998, its reserves have now reached a record level of $3.3 billion. It is anticipated that the OPIC agency will contribute over $200 million in fiscal year 2000 to support all the other activities and programs in the international affairs budget.

According to a September 1997 GAO report to our committee, ''Historically, OPIC's combined finance and insurance programs have been profitable and self-sustaining, including cost due to credit reform and administration.''

Over its 28-year history, the OPIC agency generated some $14 billion in U.S. exports generated by New York State companies.

□ 1215

It has supported more than 55,000 American jobs created by New York State projects alone. In the last 5 years, OPIC has identified $672 million in foods and services that they will buy from New York State suppliers, 57 percent of which are small New York businesses.

These alone will create more than 2,000 local jobs for New Yorkers. New York businesses are seeking possible

OPIC support for some 151 future projects, representing a potential $12 billion of investment, and all of these for just one State, not to mention all the other States that are being benefited by this program.

For those Members concerned about how OPIC operates overseas, permit me to point out that OPIC operates a comprehensive program to monitor every project that it assists for impact on our U.S. economy, on our environment, on workers' rights and on host company development. Each year, each investor must complete detailed information about the actual financial flows associated with the project, information on financial issues and host country development aspects of the project.

OPIC has criteria for detailed, on-site project monitoring for all projects that impact potentially sensitive U.S. economic sectors, all environmentally sensitive projects and a group selected through random sampling theory. Each project that receives an on-site visit is evaluated for impact on the United States and host country economies and employment, impact on the environment and conformance with internationally recognized workers' rights.

With 12 million American jobs now directly tied to U.S. exports, there can be little doubt, Mr. Chairman, that the trade promotion agencies authorized in this legislation do play a critically important role in our Nation's economy. Recently announced trade statistics showing declining U.S. exports underscores the urgency of promptly enacting this kind of a measure. According to the most recent Commerce Department reports, in 1998 U.S. exports actually declined below their level from the preceding year for the first time in a decade. That decline, together with steadily rising imports, has contributed to a 1998 U.S. trade deficit of $169 billion, nearly $60 billion higher than the deficit in 1997. At current trends, this trade deficit is expected to top $200 billion later this year.

During the general debate, I will also ask the gentleman from Illinois (Mr. MANZULLO) to offer a technical and perfecting amendment on my behalf. It takes into account the concerns of my committee colleagues about the provisions of the Urban Initiative of the International Trade Administration. Accordingly, Mr. Chairman, I urge my colleagues to support this important legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. MENENDEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today we are taking a very important step to help reverse the trade deficit and support American companies by reauthorizing the Overseas Private Investment Corporation, the Trade Development Agency, and the International Trade Administration programs. I want to take a moment to thank the distinguished chairman of the full committee, the gentleman from New York (Mr. GILMAN), for his work and his support, as well as my ranking Democrat on the committee, the gentleman from Connecticut (Mr. GEJDENSON), for his encouragement and support in bringing us through the committee and to the floor today, and my coauthor of the legislation, the gentleman from Illinois (Mr. MANZULLO). Working together, we have fashioned a bipartisan bill that promotes America's interests at home and abroad.

With the U.S. trade deficit reaching record highs, $24.6 billion in June, America needs to take immediate steps to reverse the deficit by helping American companies to export American products. This bill begins that process by reauthorizing these agencies and by looking at new ways in which we can help American companies, small, medium and large, to harness the opportunities of emerging markets throughout the world, particularly in Africa and Latin America.

At a time when the Congress is striving to adhere to the constraints of a balanced budget, when we talk about the reauthorization of OPIC, it stands apart as a revenue-earning program. OPIC's budgetary contributions are returned to the Function 150 or the International Affairs account and help offset the deep cuts that have been made to our foreign aid and development programs. That is a fitting relationship, as OPIC was created by President Nixon to complement our foreign aid programs. OPIC not only complements our foreign aid programs, it is helping to sustain them while simultaneously providing a much needed service and market opportunity to American businesses.

Let me give an example. In my home State of New Jersey, OPIC has provided more than a billion dollars in financing and insurance, generating $3 billion in U.S. exports, items that were created here, manufactured here, and exporting them abroad, and created over 10,288 jobs. From Newark to Camden to Princeton, OPIC has supported New Jersey companies and their suppliers, and that is only one small example of the many places across the country for which that is a reality as well.

Turning to the International Trade Administration, among the branches of the International Trade Administration is the U.S. and foreign commercial services. These offices overseas and at home provide real hands-on assistance to small- and medium-sized companies that need help getting started in the export arena. We have to face it, we are living in a global trading economy. The fact of the matter is, we want to engage more of our companies in the opportunities to be able to export their products and services abroad. The U.S. foreign commercial service helps us do that.

TDA is also an important complement to ITA and OPIC's efforts. TDA is often the crucial factor between a project going to an American company or to a foreign company. By funding feasibility studies, orientation visits, specialized training grants, business workshops and various forms of technical assistance, TDA enables American businesses to compete for infrastructure and industrial projects in middle income and developing countries.

So when we are there creating the standard and helping to create that standard, the reality is we are creating an American standard and in creating an American standard we create the opportunity for American companies to succeed abroad.

So as we seek to address our trade deficit and maintain our competitive edge in the global market, we need to look to programs like these which yield big benefits for small costs. We need to understand that American exports mean American jobs here at home, and that the U.S. exports of goods and services are estimated to support more than 12 million domestic jobs. Each one billion in dollars in U.S. goods and services exports supports some 13,000 U.S. jobs. We want to increase those. We want to create more jobs at home. We want to improve the profitability of American companies. We ultimately receive revenues from that and everybody prospers.

So I urge Members to support the bill. These programs are not corporate welfare. They are opportunities for American firms to compete on a level playing field with our global competitors, and their success means a lower American trade deficit and more American jobs. That is ultimately what this bill is all about.

Mr. Chairman, I reserve the balance of my time.

Mr. MANZULLO. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I rise in support of the Export Enhancement Act. We are reaching the point where we are at an all-time historic high of a trade deficit, and even the free trade economists such as Alan Greenspan are concerned about the implications of such massive trade deficits.

The trade deficit is extremely important to narrow in order to assure a robust American economy. U.S. exports are barely keeping even with last year's level. It is encouraging that the number of small companies that have entered the export area have grown dramatically from 1987 to 1997, as shown by this chart.

In addition, nearly two-thirds of all U.S. exporters had less than 20 employees, as is evidenced on this chart here, so we can see that more and more small businesses are becoming involved in exporting. Most small businesses are only casual exporters, that is, they export to just a handful of countries as opposed to several countries, and thus broaden the base of the small business exporting community. Nearly two-thirds of small exporters sold just to one foreign market and posted total exports of less than $1 million. If more

casual small business exporters became active exporters, our exports could go up by $40 billion, according to the Commerce Department estimates.

Yes, any large reductions in the trade deficit will come from macroeconomic forces. Yet our government's export promotion programs and services should reinforce these larger trends in order to increase exports and reduce the trade deficit. The Export Enhancement Act before us today takes this direction.

The legislation is comprised of four main elements: reauthorization of the Overseas Private Investment Corporation, OPIC, for 4 years, without exposing taxpayers to further risk by not changing the ceiling on OPIC's maximum contingent reliability; two, reauthorization of the Training Development Agency; three, reauthorization and reforming of the export promotion functions of the International Trade Administration at the Department of Commerce; and, four, refection in the most efficient ways possible the efforts of the trade promotion coordinating committee.

Let me talk just about OPIC. OPIC sells political risk insurance and project finance for U.S. overseas investments. Where U.S. overseas investments go, U.S. exports usually follow. Between one-fourth and one-third of our exports go to overseas subsidiaries of U.S. companies.

OPIC makes money for our Government. $204 million is expected for 1999 from the premiums and fees it charges U.S. companies for the use of its services. This is unique. This is a Government agency that actually makes money for the taxpayers.

OPIC projects contributed $58 billion in U.S. exports and 237,000 jobs since its creation in 1971.

OPIC competes, and this is very important, OPIC competes against 37 other foreign equivalents to the Overseas Private Investment Corporation. OPIC contributes to our foreign policy goals by helping countries move up the development ladder. OPIC is not perfect. There are some areas in need of improvement, particularly in the area of helping more small businesses.

OPIC is making progress towards this goal, and H.R. 1993 will make sure that OPIC keeps on target.

Mr. Chairman, I reserve the balance of my time.

Mr. MENENDEZ. Mr. Chairman, I yield 6 minutes to the gentleman from Connecticut (Mr. GEJDENSON), the distinguished ranking Democrat of the full committee.

Mr. GEJDENSON. Mr. Chairman, let me first commend the gentleman from Illinois (Mr. MANZULLO) and the gentleman from New Jersey (Mr. MENENDEZ) for the fine work they have done on this and so many other pieces of legislation in their committee. So often there seems to be a partisan divide that is solely political in its nature in the debate here; and it is clear that in this instance there are differences, but they are not based on a political orientation. It is a philosophical orientation. I think that is the way the debate actually ought to run here, and particularly in this case the work is hard and we have two excellent people leading the effort here, my good friend, the gentleman from New Jersey (Mr. MENENDEZ), and the gentleman from Illinois (Mr. MANZULLO).

The gentleman from New Jersey (Mr. MENENDEZ) has done an excellent job on this subcommittee working with the gentleman from Illinois (Mr. MANZULLO), and I have a particular affinity for this subcommittee in that I used to chair it at an earlier time.

It is easy often to get caught up in the rhetoric and forget about our goal here. Our goals here are very simple. Our goal is to make sure that American economic and foreign policy interests are met and that American workers are not disadvantaged. We have seen that in so many places, where competing with the French, the Japanese, the Germans, that their corporate and government cooperation puts Americans at a great disadvantage. Time and time again, we see their regulatory authorities coming in trying to choke out American business.

I think we have just had a great success where the European Union tried to block American jet engines, not based on the decibel level. They said it was a noise issue, and if they were really concerned about noise, of course, they would set a decibel standard, but what they did was they talked about the manufacturing process, trying to give European-made engines an advantage.

□ 1130

To that end, I offered, and we were able to pass in committee an amendment that adds additional personnel in the EU to make sure we watch the regulatory process.

The Trade and Development Agency that is also authorized in this legislation is critical. The Europeans are starting to beat us worldwide because they now have over 300 million of the wealthiest people on the planet, and they have got a single standard.

Now, they established that standard trying to give European industry an advantage. Whether it is telecommunications or electricity or almost any field, they try to use the European standard to, not just provide health and safety or efficiency or confidence in the equipment, but really to block American products.

What does TDA do? TDA provides the funding that takes a look at the needs of the project and really gives Americans a fair shot at that project.

Now, OPIC has made money, billions of dollars for the American Treasury. It is really a cash cow in many ways. But that is not its primary goal. Its primary goal, and it has been successful at this, is to make sure that American industry can compete successfully.

Now, we think a private insurance program would threaten the private insurers. To the contrary, the program has been so effectively designed that it is complementary to the private insurance that companies can get.

I will give my colleagues some of the examples where we have used OPIC, especially as emerging democracies have come out of years of oppression. We have used OPIC, instead of taxpayer money, we have used this fund generated from the fees paid by private corporations to help American products be sold into these countries.

It does several things. If an American company is building a facility, they tend to buy American generators, American parts. That means long-term American products are sent there. Replacement parts are American. That gives us the edge.

Oftentimes, as these countries are developing, the first companies in end up controlling the technology. So if we were even to shut OPIC down for a short period of time, we might lose entire countries to European competition. Now, we have the strongest economy in the world. But we also have a massive trade deficit.

I want to again commend both gentlemen for their focus on the fact that this is one of the tools we have to compete with our European competitors and our Asian competitors. These people are allies, but they are very tough competitors.

I had a company in my district come in and tell me that the Japanese, in a number of instances, had come in and offered an outright cash grant in order to secure a contract for one of the companies in their country. We do not use taxpayer money. We use the power of OPIC to make sure that we can be successful for American workers.

Oftentimes, it is hard to separate the rhetoric from the reality. But when it comes to OPIC, not only can we take a look at its tremendous reserves in excess of $3 billion, but we can focus on the jobs it has created.

It has $2.7 billion in reserves it has created as a result of its exports, and it has facilitated 225,000 jobs in the country. In my State alone, it has helped 15,000 jobs. People that go to work every day in each of our communities are working today because of the work that has been done by OPIC and TDA. With the passage of this bipartisan bill, it will make it even better.

I plan to offer later today legislation to toughen the environmental standards to make sure that American policy furthers international environmental standards.

I want to commend the gentlewoman from California (Ms. LEE) for the great work we have done together. I understand there is an additional amendment by the gentleman from California (Mr. ROHRABACHER) which will seek the same goals. I think that it is important that we marry these issues together.

Mr. MANZULLO. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I rise in opposition to this authorization bill. We have heard over and over

again repeated in this debate that OPIC is in some way responsible for these number of thousands of jobs being created and this amount of competitiveness for America in relationship to its competitors overseas. I have only three things to say about that analysis, and it is called baloney, baloney, baloney.

There is no other institution that so blatantly is corporate welfare at the expense of the well-being and expense of the taxpayers than OPIC. The bottom line is that, if OPIC can operate as a private organization and is not costing the taxpayers any money, so be it. Let them operate in the private sector as a private operation.

Why do we need to have congressional backing behind OPIC? Well, let me point out what OPIC does, and then my colleagues will see why it has to be part of the government. Because no one, no one in the private sector would be as screwball as this in order to undermine the well-being of the people who were picking up the tab.

Yes, we have heard it created this number of jobs here or this number of jobs there. What we have not heard is how many American jobs have disappeared by the fact that we are subsidizing the investment of American dollars overseas to create manufacturing units overseas that will then hire those foreigners to do jobs that could be done here in the United States of America.

Now, I have an amendment. If people object to what I am saying here and say, well, that is not really true, we are not doing that, I would invite those who are objecting to that to support my amendment. My amendment which comes up with this authorization bill simply says that none of the money from OPIC will go to establish a manufacturing unit overseas.

Now, what does it do when we use taxpayer dollars to guarantee a businessman who would rather set up a manufacturing unit, let us say in Communist Vietnam, rather than in Chicago or rather than in New Jersey or rather than in some other place in the United States? Well, if we are taking the risk, he is more likely to make that investment over there, so it is more likely he will invest money there rather than create jobs here.

Number two what we have done is, once that manufacturing unit is set up overseas, what happens? Supposedly that manufacturing unit is helping our exports. Well, all too many times what we found out is, no, it is not helping American exports at all. It is taking the place of American exports.

We have OPIC money being used to guarantee businessmen going overseas, they call it political insurance, in order to create jobs for these people which then, whoever they are overseas, they are manufacturing these projects, not to sell in their own country, but to re-export to the United States. This is adding insult to injury.

First, we put our people out of work; we charge them money through their taxes to subsidize this investment; and now they are going to have those products exported to the United States so that what they are manufacturing in the United States is no longer necessary because this cheap foreign labor is being used.

This is a ridiculous scenario. It is a betrayal of the people of the United States. The arguments that this in some way creates jobs in the United States is baloney. It makes jobs disappear in the United States. By the way, if that is not true, I would invite those people who disagree with me to vote for my amendment that ensures that we are not using taxpayer money to subsidize manufacturing units.

I have another amendment dealing with the environment. I am glad that this coincides with the gentleman from Connecticut (Mr. GEJDENSON). But the worst part about this is there is no restriction on where we are placing this money, where these businessmen will be able to set up the manufacturing units.

So our manufacturers, these people, these businessmen are attracted to what? They are attracted to tyrannies. They are attracted to dictatorships like Vietnam and China. We have no provision in here at all that says, if one wants to have a government, a taxpayer guarantee, one is going to have to set up in a democratic country.

Thus, we have businessmen who should be attracted to countries like the Philippines if they want to invest overseas and take advantage of labor that is cheaper overseas.

They are attracted to the very worst pits of tyranny throughout the world in order to invest. Because now they have political protection provided by the taxpayers of the United States of America. That is a travesty.

It is not true that it is creating jobs. It is making jobs disappear. Again, if my colleagues disagree with that, I would expect that they would be supporting my amendment to make sure that we are not setting up manufacturing units overseas. Because by definition, manufacturing units cost American jobs.

I intend to vote against this reauthorization, and I ask for support of these two amendments.

Mr. MENENDEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. VISCLOSKY).

Mr. VISCLOSKY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I want to rise in support of the legislation and commend the authors of it for taking a positive approach in enhancing our ability to export goods and jobs overseas. I am also here to lend my strong support to an amendment that will be offered a bit later in the debate by the gentleman from Ohio (Mr. TRAFICANT) to, I think, improve the legislation before us.

Unfortunately, U.S. companies simply cannot compete in foreign markets if they are denied market access and forced to brave horrible conditions. There are a number of examples that we are all familiar with. The gentleman from Ohio (Mr. TRAFICANT) earlier this year and I introduced legislation to try to improve these circumstances. An element of that bill is going to be offered as an amendment to ensure that we have the necessary information to open markets for companies and workers in the United States.

Priority will be given, as far as those investigations and studies to countries which have a trade deficit with the U.S., priority will be given to markets which will result in significant employment benefits for U.S. producers. Priority will be given to critical technology sectors.

Too often, I think, we do focus on ensuring that people play fairly in the U.S. market. It is time we ensure they play fairly in their own home markets so we can enhance and increase our exports in job opportunities. I want to thank the gentleman from Ohio (Mr. TRAFICANT) in his initiative and join strongly in supporting his amendment as well as this legislation.

Mr. MANZULLO. Mr. Chairman, I yield 6 minutes to the gentleman from Alabama (Mr. CALLAHAN).

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

Mr. CALLAHAN. Mr. Chairman, let me just tell my colleagues that, if they just look at the simple title of the agency we are talking about, the Overseas Private Investment Corporation, and if they look at the history of OPIC, they simply see that it is an organization that was formed in 1971, to do exactly what it is doing, to provide our American people the opportunity to sell products overseas.

The gentleman from California (Mr. ROHRABACHER) said we are exporting jobs. We are not. We are exporting projects. We are exporting products that are made in America for the most part, made in America, 137,000 jobs that was created last year. Just because American business had the same opportunity as Japanese businesses, as French businesses, as every other country does.

The Overseas Private Investment Corporation basically does one simple thing. It says that, if we go into a country, and we do support a facility there that is manned by Americans that is utilizing projects manufactured in the United States, if that project or any of the property is expropriated by that government, then OPIC underwrites the insurance program of that.

They tell the investors in those countries, if that project is taken away from them by some unscrupulous dictator in some country, then simply the United States of America will collect their money for them. No private insurance company can do that. No private insurance company can go in and say to them we are an agency of the United States of America; they are not going to treat our citizens this way.

To think that we have people in OPIC that are so unqualified as they would do things to discourage the very thing they were created to do, and that is to create American jobs, is ludicrous. That is not the case. OPIC makes money. They made $137 million last year.

Next year they are projected to make $200 million. It costs about $50 million to operate it. I do not know how anyone in their right mind could possibly say this is not good for American businesses because it is. It gives us the opportunity to play on a level playing field with countries that we are competing against in order to acquire the opportunity for foreign investment to that particular country.

Now, my colleagues can talk about these Third World countries. They can talk about these bad countries. They can talk about all of these things they want. But they have to look at the history. They have to look at the millions of jobs it has created in the last 30 years.

They have to look at the million units of dollars, hundreds of millions of dollars that they have generated. They have to, most importantly, look at the fact that, without this agency, our business people in the United States of America would have no opportunity to compete with the French, no opportunity to compete with the Japanese, no opportunity to compete with most countries because they are doing the same thing.

So we do have a good agency that is doing a good job. They are making money. They are contributing to our problems of spending because they are contributing more than they are spending.

□ 1245

And at the same time they are creating these hundreds of thousands of jobs. So I am here today to encourage my colleague to reauthorize this. Let us not muddy it up by saying let us do it for 1 year. Let us not muck it up by saying let us restrict them; let us not let them do business in countries that we do not personally like. Let us let this professional group of OPIC people who are doing a great job continue to operate and continue to operate without the fear of being sunseted in 1 year.

It is a simple reauthorization of a good project that is doing a lot of good for American businesses. It is doing a lot of good to create exports. It is doing a lot of good to create jobs here in the United States.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Speaker, I can understand the argument of the gentleman that this is good for American business because there is only a certain number of people in this country that own businesses.

Mr. CALLAHAN. Mr. Speaker, reclaiming my time, let me respond to that now.

There may be a certain number of people that just own businesses, but those people that own businesses hire thousands of people to work for them and those are the people that I am concerned about. I do not want to abolish jobs. I want to create jobs.

Mr. ROHRABACHER. Mr. Speaker, that is correct. But the question is, these people that hire thousands of people, as my colleague is saying, how can it possibly be in the benefit of those thousands of people that we are giving a guarantee for businessmen to instead build a factory overseas where they will not be hiring those people?

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, because the factory is going to be built overseas anyway; and, primarily, all we are doing is providing insurance. We are saying, if indeed a government expropriates that property that the United States of America is going to go after that country. A private insurance company, if it went in there, those dictators and those crazy people in some of those crazy countries would just say, drop dead. But if they walk in there saying, I am from the United States, they have taken this property away from an American investor and we are going to demand that they pay it.

The very fact that their losses are about one percent ought to tell us about the success of this.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will continue to yield, but does that not encourage the investment and creation of those jobs overseas?

Mr. CALLAHAN. Mr. Speaker, we have the opportunity in this country to do the same thing. We have the Small Business Administration. We encourage it here, too. But we have got to recognize we are in a global economy now.

If they want the Japanese and French and every other foreign country to take total control of exports, if they want to deny us the ability of exporting our products, exporting our ability to make a profit and create American jobs, yes. But just look at the very title, Overseas Private Investment Corporation.

Mr. MENENDEZ. Mr. Chairman, I would like to inquire how much time I have remaining.

The CHAIRMAN. The gentleman from New Jersey (Mr. MENENDEZ) has 1 minute remaining. The gentleman from Illinois (Mr. MANZULLO) has 8 minutes remaining.

Mr. MANZULLO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the gentleman from Alabama (Chairman CALLAHAN), who is chairman of the Appropriations Subcommittee on Foreign Operations, for the tremendous work that he has provided for OPIC.

Mr. MANZULLO. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, I have never voted for a foreign aid bill since I have been in the Congress because I always felt that our country needed that support, but I came very close this last time under the leadership of the gentleman from Alabama (Chairman CALLAHAN). I believe many of the reforms being made in foreign aid are good for the world and good for our country, and I am going to have to give it serious thought.

While the chairman is here, I have a twofold message. The only company in America to invest in a project with OPIC in the Gaza Strip was one of my companies; and they stole the money, stole their equipment, and forced my company to take them to court.

Now, a Federal judge ruled that the bank in Gaza participated in a pattern of conspiracy and racketeering and stealing money and stealing the equipment and had a finding against them.

But I want to say this to the chairman because I think he will feel good about this: OPIC was good and it changed my thinking a little bit and OPIC stood there with my company. And that matter now is being delineated at the highest levels after the finding from that court.

If the court of last resort does not make any difference with the Palestinian activities so involved, I will be coming to the chairman for the ultimate relief of an American company, that is, Congress.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, that is the very point and the rationale behind OPIC. OPIC does not have the authority to go in and threaten anyone on the Gaza Strip or any other country, but the very fact that we are saying, we are the United States of America, we demand that you treat our citizens fairly and that this property not be expropriated is the very reason we need OPIC.

Mr. TRAFICANT. Reclaiming my time, Mr. Chairman, I feel very comfortable with the remarks of the gentleman from Alabama (Chairman CALLAHAN), and I am sure that what he says is heard also around the world.

I hope I have enough time to finish my statement. I just want to make this statement to the Congress.

The gentleman from New York (Chairman GILMAN) says we have a $167 billion trade deficit, another record. My colleagues, that is not the half of it. The new trade deficit reports for the first quarter of this year $87 billion for 3 months, close to $350 billion annualized if it maintains the way it is, that is 7 million jobs.

Now, I have not voted for any of this legislation because, quite frankly, I do not think it is really doing what it is set out to do. But I am going to vote for the modest reforms that are attempted to be made in OPIC this year.

I want to commend the chairman involved and the ranking member because it is, at least, a valid attempt.

But my amendment says one other thing: do not just tell us who is violating trade agreements. Tell us what the status of the market access is in those countries. Do not just tell us they are denying or they are violating trade agreements.

Under the Traficant amendment, it tells us what is the situation on market access and, if they are denying us market access, what are the products they are denying from America and what is the marketplace that exists there so we can export more of our product. This is absolutely necessary.

I am for free trade. But, by God, if they are denying us access, we do not just need continuing reports telling us what they are denying us access about and what is the Trade Rep, what is the International Trade Administration, what is Department of Commerce going to do about it.

I know the gentleman from California (Chairman ROHRABACHER) has an amendment coming up, and I am probably going to support his amendment.

I only have a little bit of time left, but let me say this: I want to know what they are denying to American producers. And I think we have to keep their feet to the fire.

Mr. MANZULLO. Mr. Chairman, I reserve the balance of my time.

Mr. MENENDEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding me the time.

I would just, Mr. Chairman, make a few observations. Number one, when we talk about a record-breaking trade deficit, that should suggest to every Member of this body that it is high time to make fundamental changes in our trade policy with regard to NAFTA, GATT, and Most Favored Nation status.

There is something very, very wrong when major American corporations are investing tens of billions of dollars throughout the world, including countries like China, where workers are paid 20 cents an hour and have no democratic rights; and yet it is very, very hard to get these same companies to invest in Vermont or New England or any other State in this country.

The second point that I would make is that we have heard some of our friends here say, let us have a level playing field. Let the United States do what countries in Europe are doing. I would suggest that if we follow that line of reasoning, the United States of America would institute a national health care system guaranteeing health care to all people. That is what they do in Europe.

I would suggest that the United States Government would provide free college education to all of our kids. That is what they do in many countries in Europe. I would suggest that the United States Congress would mandate 4 or 5 weeks' paid vacation for all of our workers. That is what they do in Europe.

So I find it strange that some of our friends here are saying let us have a level playing field in one area, but let us not have a level playing field in other areas.

Lastly, I would commend my friend, the gentleman from California (Chairman ROHRABACHER), who makes a very sensible point. Why are we encouraging American corporations to take manufacturing jobs out of this country, lay off American workers, and take those jobs abroad, often to countries where the environmental standards are limited, where workers do not have freedom to stand up for their rights, to form a union, and where they are paid very, very limited wages? So I think that amendment makes a lot of sense.

I would also point out to those people who talk about the booming American economy to understand that American workers today are working 160 hours a year more than they did 20 years ago. I would point out to those people who talk about the booming economy that the average American worker today in real inflation accounted for wages is making less than was the case 25 years ago.

So I think, while OPIC is the tip of the iceberg, it makes no sense to me that we put taxpayers' money at risk in what clearly amounts to a corporate welfare situation.

Mr. MENENDEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the statements of several of our colleagues. I just want to put them in some context in this general debate.

I want to address some of the arguments that have been made because they make good sound bytes, but I am not sure they hold up under scrutiny.

We are not talking about, I say to our colleagues who are listening back at their offices and those that are here on the floor, it is not about trade agreements, it is not about Most Favored Nation trading status, it is not about other trading issues that are sometimes divisive in these chambers.

This is not about that. So let us get that straight. I know many people will try to bring in those issues in this debate, but the legislation being considered today is not about that. It is about creating the opportunities in the context of the reality of the world today to have American companies that create American jobs here at home and that export American products to those manufacturing plants in other parts of the world to have opportunity.

Now, there are those that have questioned, why does OPIC not become a private entity? Why the hell do we need the United States Government to be engaged? Well, the full faith and credit of the United States is a powerful tool, and it is a tool that is not available to private insurers. For a job as big as this, this is a tool we need.

It is not that these projects are not a good risk, because they are. But we, the United States, have an incentive to provide this insurance that private insurers do not. We are leveraging the full faith and credit of the United States to create American jobs, to improve American profitability. That is an American interest. That is a function that benefits all Americans, and it is a proper role of Government.

Now, if a factory is going to be built overseas, it is going to be built overseas. OPIC already, in its law which we reauthorize here, is statutorily prohibited from supporting any project that is likely to have a significant negative effect on the U.S. economy. And a business which receives OPIC's support must agree not to transfer U.S. jobs overseas.

The question is, if a factory that does not exist here is going to be built overseas, is it going to be a plant that requires American parts, American manufacturing skills, and creates demands for American products overseas; or is it going to be a French factory or a Japanese factory or a German factory that is not going to be buying any American parts made here at home and sold abroad but which American workers are making and gaining salaries from?

So we should not advocate these jobs to other nations. We should not advocate these emerging markets to other nations. As I said, OPIC's charter prohibits any financing for projects that could cause Americans job loss here at home. Those projects actually mean more American jobs.

It is in that context that I want our colleagues to think about this debate. This is not about overall trade issues. This is about helping American companies who find themselves competing with companies of other countries abroad whose countries are investing enormous amounts of money to make their contracts possible. The Germans, the French, the Japanese all over the world, they are helping their companies make it possible. How could we disarm American companies, which means American workers, from having the opportunity to compete in that global marketplace? That is what is at stake in this legislation.

Mr. Chairman, I yield back the balance of my time.

Mr. MANZULLO. Mr. Chairman, I yield the balance of our time to the gentleman from Nebraska (Mr. BEREUTER).

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

□ 1300

Mr. BEREUTER. Mr. Chairman, as vice chairman of the authorizing committee and a cosponsor of H.R. 1993, I rise in strong support of the Export Enhancement Act.

I wish that one of our sage Founding Fathers, Benjamin Franklin, were here today. He would find the discussion here interesting and reminiscent. He said over 200 years ago, ''No Nation was ever ruined by trade.'' Indeed, that is

true. International trade is a significant part of American economic growth and prosperity today. The programs of OPIC, the Trade and Development Agency and the International Trade Administration are an integral part of our trade promotion system. We need to protect it. They have a proven record of strengthening trade and promoting American exports, and they certainly warrant reauthorization by this Congress.

Since it was created in 1971, OPIC has backed projects worth $121 billion and helped create approximately 230,000 new U.S. jobs and $56 billion in exports. More than $2.8 billion in American exports were generated by OPIC-supported projects in 1998 alone. More than half of the identified suppliers to OPIC-backed projects around the world are U.S. small businesses. In this Member's State alone, OPIC projects have generated about $869 million in exports from the State generating 2,662 jobs. Examples like that can be given from every State.

OPIC is certainly cost beneficial to the American taxpayer. In addition to the American jobs OPIC projects create, 100 percent of OPIC's operating costs are covered by user fees to the individual clients, meaning these administrative costs are not a burden to the taxpayer. In fact, OPIC generates revenue and has generated over $3.3 billion to deficit reduction and other international affairs accounts. It is anticipated that in this fiscal year, OPIC will generate an additional $200 million to deficit reduction.

OPIC, then, is a win-win program that is successful in mobilizing the private sector investment in support of U.S. foreign policy objectives at no operating expense to the American taxpayer. OPIC promotes U.S. best practices, too, by requiring projects to adhere to international standards on the environment, workers rights and human rights. OPIC projects help improve the stability in developing countries and emerging economies by providing an economic boost to the efforts of reform-minded governments. For example, Hungary's opening to the West allowed OPIC to support U.S. investment there in 1990. These investments at this critical time of transition certainly helped accelerate the kind of positive economic and political reforms in Hungary that transformed that country from a captive Warsaw Pact satellite into a free NATO ally.

To those who express concern about OPIC-supported investments abroad luring jobs from America to foreign countries, this Member recommends they examine closely what kind of investments OPIC is supporting and what kind of so-called foreign jobs are being created. For example, the United States cannot supply raw electrical power to Egypt. However, we can supply American-made power generating equipment and services. How can selling power generating equipment made in the U.S. by American workers and subsequently selling American-made spare parts and services for this equipment for many years to come be considered taking jobs away from Americans? If we do not sell the Egyptians these power plants, then the Europeans, Japanese, Canadians or other foreign competitors certainly will sell them and their economies will benefit at the expense of ours.

The United States does not grow tea. Therefore, how does investing in a tea plantation in Rwanda steal American jobs? Indeed, it supports U.S. jobs insofar as that tea operation needs tools, machinery, trucks and other services. These are products and services provided by American firms and produced by American labor.

The United States is not home to the African savannah, and giraffes, zebras and baboons are not our native wildlife. Therefore, how does supporting the eco-tourism industry in Botswana by investing in new hotels and tour operations take away American jobs? On the contrary, this tourism type of development requires all kinds of infrastructure, construction materials, furnishings, vehicles and a wide range of services, everything from financing to marketing. These are goods and services that Americans produce and can now sell to a new market in Botswana.

All of America's economic competitors, including Japan, Germany and France, offer a comprehensive array of export and overseas investment support. They far outstrip what we offer. They certainly recognize the overwhelming benefit to their own economies of such assistance. Indeed, the U.S. spends less per capita as a percentage of GNP and in dollar terms on supporting private sector investment in developing countries than any other major competitor country.

Mr. Chairman, the claims have been made that OPIC is corporate welfare and has eliminated American jobs. Opponents of OPIC, and the Chairman will like this one, have cited Caterpillar Corporation as one of those ''fat cats'' benefiting from OPIC. Caterpillar makes much of its tractors and heavy equipment in Peoria, Illinois, the epitome of an American city, and, of course, in other American cities. This Member suspects he would be very hard pressed to find among Caterpillar workers assembling tractors any of them who would believe that they are the fat cats that are benefiting from OPIC.

These are hardworking Americans. At no cost to the taxpayer, OPIC helps to promote the sale of tractors and earth-moving equipment that they make. Given the significant support foreign competitors receive from their governments, without OPIC, America's Caterpillar Corporation and its employees are in many instances at a real disadvantage to Japan's Komatsu or Korea's Hyundai Corporation.

To those who claim that OPIC is unnecessary or competes against private sector insurance providers, this Member would point out that OPIC does not insure against commercial risk or currency devaluation. While OPIC is run like a profitable private business, it still needs to provide long-term political risk insurance that is not fully available in the private sector. For example, with the assurance provided by $1.8 million of OPIC political risk insurance, Agro Management, a minority-owned small business from California, is now able to work with Ugandan farmers to produce African chrysanthemums from which oil is extracted and used as a natural nontoxic and environmentally-friendly insecticide. This is just one example of many investments that will contribute to the estimated $9 billion in increased trade with sub-Saharan Africa that likely would not occur if it were not for OPIC insurance.

Similarly, the Trade and Development Agency has a successful record of promoting American business involvement in infrastructure projects in developing and middle income countries. Since its inception, the TDA has generated over $12 billion in American exports. This equates to $32 in U.S. goods and services exported for every $1 spent on TDA projects. And for every dollar that TDA invests, the agency receives another 50 cents in cost-sharing.

Last year alone, over $1.8 billion in U.S. exports were associated with TDA activities. Eighty percent of those exports were comprised of manufactured goods, illustrating the strong link between TDA projects and U.S. job creation.

The International Trade Administration and Foreign Commercial Service is also re-authorized in this bill. This funding supports the actual personnel stationed at U.S. embassies and U.S. commercial offices around the globe who successfully promote American goods and services abroad and provide assistance to American businessmen seeking new international trade opportunities.

Mr. Chairman, H.R. 1993, the export enhancement legislation before us, re-authorizes a successful American export and trade promotion system. The economic benefits of this cost-effective system to American businessmen, workers and farmers have proven to be overwhelming.

I urge my colleagues to give strong support to this legislation.

Mr. WU. Mr. Chairman, I rise today on behalf of my home state of Oregon, and in strong support of H.R. 1993, the Export Enhancement Act.

Quite simply, trade is one of the critical drivers behind Oregon's current economic prosperity; and trade is expected to grow in importance in the years ahead. The Overseas Private Investment Corporation (OPIC), the Trade and Development Agency (TDA), and the International Trade Administration (ITA) have played a key role in the promotion of Oregon exports. I strongly urge my colleagues to support this important legislation.

Mr. Speaker, OPIC, TDA, and ITA play an important part in the promotion of American exports. They are good for American workers, good for American businesses, and good for the American economy. Each of these very

worth agencies requires a relatively small investment. But they certainly reap big results for Americans.

Mr. Speaker, I strongly urge my colleagues to support American exports and support this important bill.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute consisting of the bill modified by the amendments printed in the bill shall be considered by section as an original bill for the purpose of amendment, and each section is considered read.

No amendment to that amendment shall be in order except those printed in the portion of the CONGRESSIONAL RECORD designated for that purpose and pro forma amendments for the purpose of debate. Amendments printed in the RECORD may be offered only by the Member who caused it to be printed or his designee and shall be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Ms. ROS-LEHTINEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this bill before us encompasses three agencies which are at the heart of the U.S. strategy to expand its export opportunities and to ensure greater access for American companies, big and small.

As passed by the Committee on International Relations, it helps make the Trade and Development Agency more self-sufficient by requiring companies and entities benefiting from its programs to share in the costs and to reimburse for projects secured, even if the project is not the original one pursued.

It establishes congressional guidelines and recommendations on the operations of these agencies to seek and use more private sector resources, and to place greater emphasis on the promotion of small businesses and make them more export competitive.

This bill also provides for greater accountability and oversight as it calls for independent auditors to report annually on the level of OPIC's reserves and requires that greater emphasis and resources be dedicated to assisting small businesses compete in the global arena.

Further, it establishes reporting requirements for ITA and focuses on the work of the Market Access and Compliance unit of the International Trade Administration which, along with the other units, monitors, investigates and evaluates foreign compliance with over 250 U.S. trade agreements; helps resolve company and industry-specific market access problems in country and regional markets; identifies market and nontrade barriers to better prepare and educate U.S. companies about developing markets.

Their list of accomplishments is long, having succeeded in resolving serious compliance problems relating to discriminatory regulations and barriers faced by American industries.

While not a perfect bill, it does provide certain safeguards for the American taxpayer and it does afford the opportunity for careful oversight by this committee and the Congress in general. I ask my colleagues to support this bill this afternoon.

The CHAIRMAN. The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Export Enhancement Act of 1999''.

The CHAIRMAN. Are there amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Since it began operations in 1971, the Overseas Private Investment Corporation (in this Act referred to as ''OPIC'') has sold investment services and mobilized private sector resources to assist developing countries and emerging democracies in the transition from nonmarket to market economies.

(2) In an era of declining Federal budgetary resources, OPIC has consistently demonstrated an ability to operate on a self-sustaining basis to support United States companies and promote economic reform in emerging economies in Africa, the newly independent states of the former Soviet Union, Latin America, and the Caribbean.

(3) OPIC has played an important role in reinforcing United States foreign policy goals and in strengthening the United States economy by creating jobs and promoting exports.

(4) Over the past 28 years, projects supported by OPIC have generated over $58,000,000,000 in United States exports, mobilized $121,000,000,000 of United States private sector investment, and created more than 237,000 United States jobs.

(5) OPIC has been run on a sound financial basis with reserves totaling approximately $3,300,000,000 and with an estimated net budget contribution to the international affairs account of some $204,000,000 in fiscal year 2000.

(6) OPIC has maintained a claims recovery rate of 95 percent, settling 254 insurance claims for $541,000,000 and recovering all but $29,000,000 since 1971.

(7) OPIC programs have served to rectify market failures, including limited market information in developing countries and underdeveloped capital markets, by insuring United States firms against economic and market uncertainties.

(8) The Trade and Development Agency (in this Act referred to as ''TDA'') promotes United States business involvement in infrastructure projects in developing and middle income countries.

(9) TDA has generated $12,300,000,000 in exports since its inception, with every $1 in spending for TDA projects leading to the sale of $32 in United States goods and services overseas.

(10) The United States and Foreign Commercial Service (in this Act referred to as the ''Commercial Service'') plays an important role in helping United States businesses identify export opportunities and develop reliable sources of information on commercial prospects in foreign countries.

(11) The Congress has, on several occasions, encouraged the Commercial Service to focus its resources and efforts in countries or regions in Europe and Asia to promote greater United States export activity in those markets.

(12) The Congress supports the expansion of the Rural Export Initiative by the International Trade Administration (in this Act referred to as the ''ITA'') of the Department of Commerce, particularly those elements related to the use of information technology and electronic commerce techniques.

(13) The Congress is encouraged by the success of the Market Access and Compliance Unit of the ITA and supports the Unit's efforts to develop mobile teams to resolve market access problems and ensure compliance by United States trading partners with trade agreements and commitments.

(14) The Congress acknowledges the demands upon the Market Access and Compliance Unit of the ITA and recommends that priority be given to funding for this unit to ensure that adequate resources are available for it to fully implement its mission.

The CHAIRMAN. Are there amendments to section 2?

The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. POLICY RECOMMENDATIONS.

The Congress makes the following declarations:

(1) OPIC should set its fees at levels sufficient to cover all operating costs, repay any subsidy appropriations, and set aside adequate reserves against future losses.

(2) OPIC should maintain a conservative ratio of reserves to contingent liabilities and limit its obligations in any one country in its worldwide finance or insurance portfolio.

(3) Projects supported by OPIC should not displace commercial finance or insurance offerings and should encourage private sector financing and insurance participation.

(4) Independent auditors should report annually to the Congress on the level of OPIC's reserves in relation to its liabilities and provide an analysis of the trends in the levels of reserves and liabilities and the composition of its insurance and finance portfolios, including OPIC's investment funds.

(5) OPIC should double the dollar value of its support for small businesses over the next four years.

(6) In administering the programs and activities of the ITA, the Secretary of Commerce should give particular emphasis to obtaining market access for United States firms and to securing full compliance with bilateral and multilateral trade agreements.

(7) The ITA should facilitate the entrance of United States businesses into the countries of sub-Saharan Africa and Latin America.

(8) The Commercial Service, within the ITA, should consider expanding its presence in urban areas and in urban enterprise areas.

AMENDMENT NO. 9 OFFERED BY MR. TERRY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. TERRY:

Page 6, insert the following after line 21:

(9) OPIC must address concerns that it does not promptly dispose of legitimate claims brought with respect to projects insured or guaranteed by OPIC. The Congress

understands the desire of OPIC to explore all possible arrangements with foreign parties. However, OPIC must be aware that private parties with legitimate claims face financial obligations that cannot be deferred indefinitely.

Mr. TERRY. Mr. Chairman, I rise today to offer this amendment in hopes that I can bring much needed accountability to OPIC's operations. I believe that government should exercise a high degree of discretion in becoming involved in essentially private sector business functions. At the same time, I understand that OPIC exists to fill a void by providing political risk insurance in countries where private insurers may hesitate to go. The appropriate balance is for an agency such as OPIC to be scrupulous in maintaining a businesslike approach to its dealings, yet be constantly aware of its duty to maintain public confidence and trust.

The House Foreign Operations Committee has noted, ''OPIC must be aware that private parties with legitimate claims face financial obligations that cannot be deferred indefinitely.'' Companies that have disputes before OPIC have the right to know where they stand. It is reasonable for businesses to have a full understanding of the status of their claims.

Mr. Chairman, my amendment adds a statement of policy that OPIC should be more sensitive about the impact of its delays on private businesses. I urge its approval.

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

Mr. Chairman, I rise, I think, in support of the amendment offered by the gentleman from Nebraska (Mr. TERRY), and I rise also to engage in a colloquy with him, to tell him that there are ways that we can get OPIC to respond, if indeed they are not responding as my colleague or some of his parties of interest may think they ought to respond. I would invite the gentleman, if he would like, to bring his concerns to me as chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs, the committee that funds OPIC, albeit we do not need to fund them; we take their 200 million, and we give them back 50, and that is sort of a plus for my committee.

But the gentleman is absolutely right. If OPIC is not responding in a professional, timely manner, then this ought to be brought to my attention, and I will support the gentleman's amendment and at the same time encourage the gentleman from Nebraska (Mr. TERRY) to bring his concerns to me, and I will call the proper officials from OPIC to my office, and we will get a quick response to any problem he may have.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Nebraska.

Mr. TERRY. Mr. Chairman, I thank the gentleman from Alabama for that offer, and I should have offered him the courtesy. A member of the gentleman's committee has been participating in several discussions of which I have been involved with Mr. Munoz and OPIC concerning the status of several claims and their unwillingness to deal with them in a timely manner, and I will meet with the gentleman as soon as this colloquy and amendment are over, and I will give him the details of that, and I apologize for not doing that in advance.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do rise in strong support of the amendment offered by my colleague from Nebraska (Mr. TERRY). Mr. TERRY has been very much engaged in this issue as, in fact, his predecessor and the whole Nebraska delegation has been engaged for some period of time. There were an unfortunate series of things that happened with the collapse of the economy in Indonesia that affected many American firms, including an energy facility firm in our State. We have worked at length on this matter with OPIC, Treasury, and the Indonesian Government without much success. I believe that in all probability these kinds of things would not happen again, but with the support of the chairman of the Committee on Foreign Operations, Export Financing and Related Programs, and with the continued tenacity and diligence of my colleague from Omaha, I believe that this amendment should be adopted as a sense of the House. It is an important sense of the Congress to convey to OPIC so that in fact a very good OPIC program is improved and American businesses not disadvantaged.

In fact, Mr. Chairman, I think of course to some extent we can reform our agencies to the maximum extent, and they are doing excellent work, but when we have a foreign government that basically collapsed with an involvement of the IMF as well, sometimes American business is disadvantaged.

So I thank my colleague and commend him, and I urge support for his amendment.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would accept the amendment offered by the gentleman from Nebraska (Mr. TERRY), Number 9.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

First of all, I rise in support of this amendment, and obviously there is a lot of fixing that we need to do on any government program and obviously sending a message out that we want the program officers to be efficient and effective and on time is certainly a good message. I would like to remind us, as we debate this particular amendment, that there is a question, of course, as to whether or not the very fundamentals of OPIC deserve even an amendment like this. While I support the amendment, let us again look at the validity of the organization itself.

We have heard today, for example, a question, and unfortunately this type of debate we only get a couple chances to go back and forth, and I did not get a chance to ask my colleagues, but we heard the declaration that what harm does it do to have U.S. tourist dollars poured into a certain country? Mr. Chairman, I do not know what States these people come from, but tourism means a lot to the people of my area. I would like us to have, rather than having Americans, businessmen, investing and luring tourist dollars away from the United States, I would like those tourist dollars to come to Orange County, California, and to stay in the hotels and to use the facilities in my area, and if my colleagues do not want them in their areas, that is fine. But the fact is that building up the infrastructure to attract tourist dollars to a foreign country does impact on American jobs and, in fact, hurts the very lowest employees, the people who make the least in our society.

I happen to have earned a living when I was younger scooping ice cream at Marineland Snack Bar, which was a tourist attraction. Yes, I would rather those tourists come there, provide me that work, than having American dollars being guaranteed to build tourist attractions overseas to create jobs overseas.

I am sorry, those tourist dollars do take away from American jobs.

And what about this great tractor factory in Illinois that we heard about? Well, okay. My amendment suggests that OPIC will never be able to guarantee the building of a tractor factory.

I would suggest to the gentleman from Illinois (Mr. MANZULLO) and the gentleman from Nebraska (Mr. BEREUTER) who had this tractor factory in their district, they should support my amendment which will prohibit the building of tractor factories with taxpayer guarantees overseas. So I would ask the gentleman from Nebraska and the gentleman from Illinois and others who have such factories, or if my colleagues have any factories in their districts, let us make sure we do not guarantee the investment of building such factories overseas. We are not doing very good work for our constituents if we do.

And what about that investment on the West Bank that we heard from the gentleman from Ohio (Mr. TRAFICANT) about? Do we really want the taxpayers to guarantee people who will invest in places like the West Bank, or should they have to take their own risk? Why is it that we let people have a guarantee of U.S. tax dollars for their investment in far-off countries where there are risky investments, but we will not give people investing in the United States those type of guarantees when they come into our areas that are a little bit risky or they are going into a risky-type business? Here we are giving them this perverse incentive to invest overseas rather than invest here.

Now we could talk, and we have heard about this over and over, jobs, jobs, jobs. I hope people have gotten down to the next level rather than just this rhetoric. We are talking about the loss of jobs. We are talking about an organization whose very purpose, as we have heard time and again, to build tractor factories overseas, to build tourist attractions overseas, to let these American businessmen take risky investments and have the American Government stand right besides them. I do not want the American Government standing besides people who are investing capital and creating jobs overseas. I do not want the American Government to help them. I want the American Government either to stay neutral or to create the jobs here in the United States of America.

Whose side are we on? Well, OPIC certainly is on the side of the American worker; but we have heard it over and over again that, yes, this helps business. Well, everything that helps business does not necessarily help the American working people, and I hope that by what I have said I have helped people understand how, yes, it does help a couple of investors make some big bucks by investing in risky ventures, sometimes in dictatorships overseas like Vietnam and Communist China; but it dramatically hurts the American working person.

The gentleman from Ohio (Mr. TRAFICANT) over there told us about how he was so concerned about this huge deficit that we have. How much of that deficit is due to the fact that OPIC has been encouraging people to invest overseas? And those factories are not necessarily selling overseas, but what they are doing is re-exporting to the United States. How much of that, I ask the gentleman from Ohio (Mr. TRAFICANT) comes from there?

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Speaker, I am listening to the debate here today, and I hope that we have some degree of context as we are moving forward dealing with what I think is a very important program for America and for people in the State that I represent, Oregon.

I have been trying to understand the gist behind the amendments from the gentleman from Nebraska (Mr. TERRY). I have talked to OPIC; I have tried to get a feeling for what it is, in fact, we should be doing.

Along with the gentleman from Nebraska (Mr. BEREUTER) I had the opportunity to spend some time earlier this year in Indonesia, and as we hear the two speakers that have addressed themselves to this amendment now and where it takes us, I feel that it is important to take a deep breath. I have no objection I guess per se to the language that has been offered, but there is the subtext here that somehow OPIC is not being responsive; that somehow that these things can simply be moved along very slick and easy; and that somehow someplace off in the bureaucracy there is somebody who is inappropriately holding things up.

It seems to me that when we are dealing with OPIC's ability to process claims, which is the concern, I think, that has prompted the gentleman from Nebraska's amendment, or maybe there may be more here, that one has to appreciate what OPIC has to do in order to be fair to the businesses that are involved, to be fair to the taxpayer, because as has been pointed out by our other friend from Nebraska, this is an operation that, in fact, has not lost any taxpayer money at all, and in fact this year is going to be surplusing money.

Mr. Chairman, part of what they have done in terms of hitting the balance has been careful processing of claims of this nature. They have got something like a 95 percent recovery rate. I think it is important that we not assume that the people in the organization are not, in fact, processing these in an orderly fashion, that dealing with a country like Indonesia where we have multiple interests and our friends at OPIC are not just dealing with one company, but they are dealing with fashioning a record in a country that is in turmoil, and I am sure they are being pushed on by people from other agencies, from the State Department or from Treasury. We have issues that people on this floor have been concerned with, and we have other national interests that we are trying to do in stabilizing the situation in Indonesia to try and play that in a sophisticated and thoughtful fashion.

Mr. Chairman, I would just hope that, as we are dealing with this language that people are making assertions about the behavior of our friends at OPIC, that taking a step back, taking a deep breath, appreciating the difficult position they are in, caught between people on one hand who refuse to acknowledge the positive contributions that this makes to our economy and economies around the world and then interfering with an appreciation of what they have to do to try and be a loyal soldier and an arm of the United States Government and advancing others of our interests.

I will be prepared to talk at greater length about that at another time. Mercifully, Mr. Chairman, I am prepared to yield back the balance of my time at this point, but I do hope that we do not have sort of cardboard cut outs when we are considering amendments like this and appreciate the difficult task that they have been given and some appreciation for the balancing of the interests that they have to have.

Mr. GEJDENSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just yield to the gentleman from California (Mr. ROHRABACHER) to answer one small question. He keeps referencing China, as I understand it. How much business has OPIC done in China?

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I understand OPIC is not doing business in China.

Mr. GEJDENSON. Reclaiming my time, it is important that we recognize reality from what we would like reality to be. There is no investments in China. Even if they wanted to now as a result of, I think, a bipartisan effort, we have put in language because of Tiananmen Square; they rightly cannot do business in China.

So, reclaiming my time, we are going to have plenty of time to go over this debate further.

□ 1330

Mr. RANGEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to take this opportunity to express my support of the work that OPIC is doing. It is always an emotional thing when we think that in dealing with foreigners, we are going to lose American jobs. And, coming from a community like mine who still suffers unemployment and underemployment, I would like to spend my time on the floor doing all that I can to encourage investments in my community and similar communities within the United States.

But I think we all have come to understand that trade and commerce involves exports and that the exporting industry creates jobs, many in my district. I have had the opportunity to make several trips to sub-Saharan Africa and to work with OPIC and the Ex-Im Bank and American businesses.

And so often we hear that with these developing countries that we cannot give them fish, but we have to give them the tools to teach them how to fish. And so many times we see in these developing countries, well, it is not just a question of American businesses getting the protection of OPIC, but it is the question of American businesses being able to export to these American businesses that are located in these countries.

I would hope that the gentleman from California (Mr. ROHRABACHER) will continue to have enlarged tourist activities in his district. But in order to do this, people have to have jobs, they have to have money, and many of them are able to enjoy tourism here because they have jobs that are here.

So there are enough restrictions to show that the investment is not going to be a direct challenge to our manufacturing operation; that is written into the law. But it would seem to me that it would be a terrible thing to put such restrictions on OPIC that those people, and they are people who have the courage to take the risks, to go overseas, that America goes with them as partners and say that we want investment in this part of the world, we want people to be economically independent, we want to make certain that

we preserve democracy, because democracy without economic support cannot last that long.

So it just seems to me that we can take a deep breath about these things when it involves foreign countries. We say foreign and all of the vital juices fly up. But God knows, I believe that we ought to stamp out communism wherever we find it, yet we find the majority of people here think we should do business with China and with North Vietnam and North Korea, and then we have a little island right out there in the Caribbean. It seems as though we get so upset when we try just to remove the embargo, even though I do not know about Castro trying to do anything to overthrow our government; still, we are very selective when we start getting angry with Communists.

But since there are so many other countries that do have democracies and these are the countries that certainly do not cause us political problems, I hope that my friends on this side and the other side of the aisle would find some worthwhile projects where we can say we want to encourage investments in these areas, we want that American flag to be waving with capitalism and investment, and that we want jobs on this side of the ocean as well, which will come as a result of forming these types of economic partnerships.

So I just want to say that I want to thank people on both sides of the aisle for putting together a bill that we can say is bipartisan, and let us give OPIC a chance to do the job that they have been created to do. I will be opposing the Rohrabacher amendment, but I certainly will be giving my strong support for the bill.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

I can empathize with the gentleman from California (Mr. ROHRABACHER). But he mentioned some of my comments and my company, and I just want to make a couple of points here.

OPIC is worth about $200 million a year to us; and we give $50 million to promote its activities, so that is about $150 million gain. One of the qualifications for an OPIC investment is there are stringent qualifications to the impact of jobs lost and not one job can be lost pursuant to an OPIC investment.

Now, without OPIC, my company, at the request of this administration, made an investment in Gaza, trying to open up that whole opportunity and bring them in as a neighbor of the great world community. If it were not for OPIC and the insurance and protection of Uncle Sam and our government, my company would be laid out, washed out, could possibly be belly up. We provide an opportunity for America to make investments, reasonable investments to move us forward in the community of nations, and the return on our investment has been very good.

So, I am going to support OPIC, but I am going to support OPIC with the types of reforms that are coming from the gentleman from Illinois (Mr. MANZULLO), the gentleman from New Jersey (Mr. MENENDEZ), the gentleman from New York (Mr. GILMAN), the gentleman from Connecticut (Mr. GEJDENSON), and others. I think for once, it turns a reasonable profit.

Mr. SANDERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is very clear that this debate in truth goes far beyond OPIC. It goes to whether or not we as Members of Congress feel positively about our current trade policies, and that, in truth, has to do with NAFTA, GATT, MFN, has to do with the International Monetary Fund, the World Bank, OPIC, Ex-Im Bank and so forth and so on. That is what it really has to do with. OPIC, in truth, is a small part of that whole picture.

I would argue that any conscientious Member of the House who examined the facts would conclude that our current trade policy, OPIC and everything else, has not succeeded. By definition, it has not succeeded, because we are looking at a record-breaking trade deficit. And we hear our friends say, well, this creates jobs and so forth and so on. But we have to look at both sides of the equation; and when we look at both sides of the equation, what we are looking at is a record-breaking trade deficit. Our current trade policy is failing.

As I said earlier, and I want to touch upon this point, I find it interesting that there are Members here who are quite conservative who would turn pale at any mention that the United States Government should have a national health care program guaranteeing health care to all people, apparently think it is okay for the United States Government to have an insurance program to protect American corporate interests.

Now, it seems to me that if a company wants to invest in China or in Africa, in Asia or in any other place on earth, they have the right to do that. No one is arguing that. But what some of us are suggesting is, should American taxpayer money be placed at risk to protect that investment. Day after day I find people come up who believe in laissez-faire capitalism who say the government is terrible. Get the government out of our lives. Poor people, hey, they are going to have to stand up on their own two feet. Government cannot help everybody. And yet, we have a situation here where apparently these very same people are saying well, government cannot save the poor, cannot help the working people, cannot get involved in the environment, but government can get involved with the Enrine Oil and Gas Company who receive $400 million in U.S. Government-backed OPIC financing and insurance for natural gas processing and storage facilities in Venezuela. The U.S. Government can get involved in that. The U.S. Government can get involved with OPIC helping Texaco and its partners receive $139 million in government-backed OPIC financing for a power generation project in the Philippines. Chase Manhattan Bank, oh, my goodness, the United States Government can have the stand with Chase Manhattan Bank who received $200 million in U.S. Government-backed OPIC insurance for a telecommunications project in Colombia.

So I would suggest to my friends who support laissez-faire capitalism, you cannot do both things. You cannot say that the government cannot protect working people and low-income people in this country, terrible thing, but yes, the United States Government and OPIC can protect the interests of multinational corporations.

Let me make another point, and I think I am echoing a point that the gentleman from California (Mr. ROHRABACHER) made a moment ago. People say well, we are in a global economy, companies are going to invest abroad, and that is true. But it seems to me that given the fact that we have seen a decline in real wages for manufacturing workers in this country, given the fact that our working people are working longer hours and in many cases, for lower wages, because good-paying manufacturing jobs have gone to China and to other countries where workers are paid horrendous wages, then yes, I do have a problem.

And I share the concern of the gentleman from California (Mr. ROHRABACHER) about providing OPIC help to those companies who want to establish manufacturing plants abroad. I think it is very naive to say well, OPIC says that that is not going to result in the loss of any manufacturing jobs in this country. I do not believe that.

I would argue, and maybe some of my friends who support OPIC might want to help me on this, that maybe instead of OPIC overseeing private investment corporations we want to have a domestic OPIC, a domestic OPIC. What about United States Government guaranteeing investments in the State of Vermont or in low-income communities around this country making it easier for companies to hire American workers and pay them a decent wage.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, a few moments ago my good friend, the gentleman from Ohio (Mr. TRAFICANT) noted this company in his district again, which without OPIC standing by its side would have been laying there in the dust in the West Bank. That company should have invested in an opportunity in the United States; it would have not been lying there in the dust. Americans would have been working.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska (Mr. TERRY).

The amendment was agreed to.

THE CHAIRMAN. The Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. OPIC ISSUING AUTHORITY

Section 235(a)(2) of the foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(3)) is amended by striking ''1999'' and inserting ''2003''.

AMENDMENT NO. 1 OFFERED BY MR. GEJDENSON

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. GEJDENSON:

Insert the following after section 4 and redesignate succeeding sections, and references thereto, accordingly.

SEC. 4. ENVIRONMENTAL IMPACT OF OPIC PROGRAMS.

(a) ADDITIONAL REQUIREMENTS.—Section 231A of the Foreign Assistance Act of 1961 (22 U.S.C. 2191a) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following new subsection:

''(b) ENVIRONMENTAL IMPACT.—

''(1) ENVIRONMENTAL ASSESSMENT OR AUDIT.—The Board of Directors of the Corporation shall not vote in favor of any action proposed to be taken by the Corporation that is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented, unless for at least 60 days before the date of the vote—

''(A) an environmental impact assessment or initial environmental audit, analyzing the environmental impacts of the proposed action and of alternatives to the proposed action has been completed by the project applicant and made available to the Board of Directors; and

''(B) such assessment or audit has been made available to the public of the United States, locally affected groups in the host country, and host country nongovernmental organizations.

''(2) DISCUSSIONS WITH BOARD MEMBERS.—Prior to any decision by the Corporation regarding insurance, reinsurance, guarantees, or financing for any project, the President of the Corporation or the President's designee shall meet with at least one member of the public who is representative of individuals who have concerns regarding any significant adverse environmental impact of that project.

''(3) CONSIDERATION AT BOARD MEETINGS.—In making its decisions regarding insurance, reinsurance, guarantees, or financing for any project, the Board of Directors shall fully take into account any recommendations made by other interested Federal agencies, interested members of the public, locally affected groups in the host country, and host country nongovernmental organizations with respect to the assessment or audit described in paragraph (1) or any other matter related to the environmental effects of the proposed support to be provided by the Corporation for the project.''; and

(3) in subsection (c), as so redesignated, by striking ''each year'' and inserting ''every 6 months''.

(b) STUDY ON PROCESS FOR OPIC ASSISTANCE.—The Inspector General of the Agency for International Development shall review OPIC's procedures for undertaking to conduct financing, insurance, and reinsurance operations in order to determine whether OPIC receives sufficient information from project applicants, agencies of the United States Government, and members of the public of the United States and other countries on the environmental impact of investments insured, reinsured, or financed by OPIC. Not later than 120 days after the date of the enactment of this Act, the Inspector General shall report to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate on the results of its review. The report shall include—

(1) recommendations for ways in which the views of the public could be better reflected in OPIC's procedures;

(2) recommendations for what additional information should be required of project applicants; and

(3) recommendations for environmental standards that should be used by OPIC in conducting its financing, insurance, and reinsurance operations.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 90 days after the date of the enactment of this Act.

Mr. GEJDENSON. Mr. Chairman, first I would like to compliment the gentlewoman from California (Ms. LEE) for a great effort on this issue and the strong work she has done here and on so many other issues in the committee.

This is a very direct amendment, Mr. Chairman. This amendment ensures that environmental concerns are taken into account when OPIC is considering assistance for projects that are likely to have a significant adverse environmental impact. The amendment ensures that no decision is taken by the board of directors on such a project until the 60-day waiting period for public comment is passed and ensures that environmental assessment will be available to the public during that time.

It further requires the president of OPIC or his designee to meet with concerned groups on these projects, and the amendment further requires the board of directors to have discussion on these environmental matters every six months, in public.

Finally, it requires an independent study to review whether OPIC's environmental procedures should be approved.

One of the things we have to do as a Nation is to make sure that we add the environment and the rights of working men and women around the globe into every discussion. Because if we simply move forward and clean up our environment, give American families a better living and the rest of the world deteriorates, it will damage our environment, it will damage our economy. We have to make sure that America leads the environmental standards upwards and does not finance them downwards.

This amendment is important because I think it provides a reasonable amount of time, it makes sure that it clearly stipulates the need for public involvement here, public access in providing the public the information and to make sure that American activities further America's goals, which do include bringing those jobs home to America, but also include that we are not involved in projects that degrade the environment in other countries. I want to again thank the gentlewoman from California (Ms. LEE) for the excellent work she has done here and in so many other areas.

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

I support the Gejdenson amendment. I have a similar amendment, but my amendment is a bit tougher than the one the gentleman has proposed, but I believe we both have the same goal in mind.

The fact is that nobody should be receiving taxpayer money in order to go overseas to involve themselves in economic activity that despoils the environment overseas and destroys the natural heritage of other peoples. I would say especially this is true in countries that are not run by the people themselves. In countries that are run by little cliques, by dictators, by tyrants of left and right, it is imperative that we go on record that none of this OPIC money that guarantees these investments overseas will go to those countries in a way that does serious damage to their environment.

□ 1345

As I say, the amendment that I have in mind goes a bit further than the amendment of the gentleman from Connecticut (Mr. GEJDENSON). It requires that these loans not be made, and that not just the environmental impact report but all environmental studies dealing with the guaranty in question be made public, and that they be made public 60 days prior to the transfer of any funds, which will give everyone the chance to have their say and for organizations that hold the environment dear to come and try to protect what they consider to be an important human resource.

Let me note that this amendment and my amendment are very close to a piece of legislation that the gentleman from California (Mr. COX) has submitted as a separate piece of legislation on which I am a cosponsor. I would invite the gentleman from Connecticut and others to join me in cosponsoring the Cox bill.

Ms. LEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would first like to thank our ranking member, the gentleman from Connecticut (Mr. GEJDENSON), for all the work he has put forth in strengthening the implementation of OPIC's environmental standards, and also for his support and guidance on this issue.

Being a new member of the Committee on International Relations, this is the first year that I have reviewed in-depth the purpose and function of OPIC. I have been very careful and very deliberate in my support of OPIC.

For the last two decades, and particularly during my time in the California State legislature, I have strongly encouraged the Bay area and the State of California and members of the business community to forge fair trade partnerships, particularly with countries in Africa, Asia, and Latin America. In that vein, the mission and work of OPIC is very much in line with initiatives that I have been encouraging for nearly two decades.

I understand from some of my colleagues that they believe that OPIC sends American jobs overseas. Quite to the contrary, OPIC does not support projects that would create any job loss in America.

Additionally, California OPIC projects have created almost 40,000 American jobs, and in the last 5 years, OPIC projects identified $1.5 billion in goods and services that they will buy from California suppliers, 70 percent of which are from small businesses.

Additionally, as I researched OPIC's standards for the approval of projects, I became acutely aware of the concerns and criticisms from the environmental community. The adherence to strong environmental standards in business is fundamental to my support of export policy, and a necessary standard for my constituents in an area of our country that is the birthplace of the environmental movement.

It is for this reason that the gentleman from Connecticut (Mr. GEJDENSON) and I engaged in a process of dialogue and exchange with OPIC and the environmental community. The result of that exchange is the amendment that we are offering today.

OPIC has played a leading role among bilateral international investment agencies in developing reasoned standards that take into consideration the concerns of their business clients and those of environmental groups and the United States taxpayer.

Working with a broad range of stakeholders ranging from U.S. exporters to international environmental organizations, OPIC has developed a sound environmental policy handbook over the past 2 years.

However, many remain concerned with implementation of these standards in a meaningful and transparent manner. The Gejdenson-Lee amendment balances those concerns by codifying existing practices and increasing the transparency in a manner that will not affect U.S. competitiveness.

This amendment will play a key role in promoting strong environmental and social standards for all projects supported by OPIC. Specifically, the amendment will strengthen the process of the 60-day public comment period on OPIC's environmental impact assessments by prohibiting the OPIC board of directors from voting on any proposed action that may have a significant adverse environmental impact until the 60 days of the public comment period.

Secondly, it allows for a representative of the NGO community to meet with the President of OPIC or his designee to directly discuss concerns regarding possible adverse environmental impacts of proposed projects.

Thirdly, it mandates semiannual public hearings of OPIC's board of directors to allow, once again, direct discussion of a wide range of environmental and labor concerns regarding both past and future projects.

Fourth, it requires that the IG of USAID conduct an assessment of OPIC's procedures for reviewing a project and report the results to the Committee on International Relations and the Senate foreign relations committee. We should be promoting the highest environmental standards possible, certainly when public funds are at issue.

I have followed OPIC's progress and am convinced that what is now on the books should be implemented in a meaningful manner. In the writing of this amendment, we worked closely with OPIC and several environmental groups. The amendment is endorsed by the Friends of the Earth, the Environmental Defense Fund, the Sierra Club, Rainforest Action Network, and others.

I urge my colleagues to support this environmental accountability amendment.

Mr. ROHRABACHER. Mr. Chairman, will the gentlewoman yield?

Ms. LEE. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I of course agree with the positions the gentlewoman has taken today and the statement she has just made.

The amendment that I am considering offering goes just a little bit further. It is not at all at cross-purposes with the goals that the gentlewoman has stated.

I would ask the gentleman from Connecticut (Mr. GEJDENSON), as well, if the gentlewoman would consider an amendment to her amendment that would bring the two amendments together, and which just beefs up a little bit the gentlewoman's amendment.

Mr. GEJDENSON. Mr. Chairman, I move to strike the requisite number of words.

I would just tell the gentleman, we are probably better off trying to work this out in conference. Under the rule before us, the amendments are not amendable.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I would tell the gentleman, the amendments are amendable. I think this would save us some time. I do believe that we have precisely the same goals.

Mr. GEJDENSON. Mr. Chairman, if we can work this out before the gentleman's amendment comes up, we will do it.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a question with regard to Gejdenson No. 35. That is, under the present practice of OPIC, OPIC will take a look at the general impact on the environment as part of its normal practices. My concern about this amendment is that it sets up something that is a lot more informal by calling it an environmental impact assessment, or initial environmental audit.

Some of these impact assessments and audits could actually take years. That really could end up putting the end to any type of American company wishing to use OPIC.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. My understanding is that that is already part of the present law. The assessment is in the law. They make that assessment.

What this primarily does is several things. It provides for a certain time that they cannot bring the measure to the board. What happened, at least in one instance, maybe in others, is that while there was a 60-day review period, while the review was going on, the board voted on it prior to the 60 days. That leaves a lot of people concerned about the environmental problems.

The gentleman and I share support for this. I understand that he may have some differences on the amendment. I think what this amendment does, it takes a number of groups that are committed to environmental policy and takes away their opposition from what is a very solid program.

I think if we can show sensitivity to those environmental concerns, which I think the gentleman shares, it will not hamper OPIC's operations. It will provide that we will not end up in an embarrassing situation where we are doing some environmental damage in some developing country, and that both the gentleman's desires and mine will be met. We will have an OPIC that has broader support, that does the right things, and achieves the economic and policy goals the United States is interested in.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am having great difficulty. Normally the gentleman from Connecticut (Mr. GEJDENSON) and I agree on so many things. I think our mission is probably the same, because the gentleman, as I, wants to protect the businesses in our respective districts, and give them the opportunity to have a vehicle in order to compete with all these foreign countries.

However, I am afraid, in reading the amendment, and there are about six amendments that are addressing this floating around here, so I am having very much difficulty. I have to apologize in advance to the gentleman for not knowing the full content.

However, what I fear in reading this amendment is that the gentleman is putting such a hamstring on OPIC, such a requirement on OPIC with respect to notification, that we are probably getting into a situation where we are going to prohibit them from participating in projects because they are going to have to disclose confidential information.

Then when we have the Inspector General, and as I understand the amendment, and I do not apologize for not having a law degree, but I do have an honorary law degree from Spring

Hill College in Mobile, but I am not learned in the law. But my reading in this from a layman's point of view is what the gentleman is saying, number one, before OPIC can do anything they have to have the Inspector General's approval to do it. That is how I read it.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Let me say, Mr. Chairman, my great admiration and respect for the gentleman has just been increased to find out he only has an honorary degree in law, rather than actually having a law degree, no offense to any attorneys here.

I would say that is simply a study with the Inspector General to make sure the process is a good process. That builds confidence in a part of American society that has often had some questions about it.

I think if the gentleman reads this carefully, and maybe the gentleman might want to reserve his final decision until later because there are other amendments coming, he will find that what we basically do is codify the existing practice of OPIC, which has been apparently, on occasion, violated, to make sure they cannot have a vote before the 60 days. The review by the Inspector General is to make sure the procedures meet our environmental concerns.

I think if the gentleman takes some time and reads this, and the votes are going to be postponed, he will see that this is not going to do damage to OPIC. I will commit to the gentleman that I will work with him between now and conference to make sure that his concerns are addressed.

We want to make sure we are not doing bad things environmentally. We do not want the United States caught in causing major environmental damage in some country. I agree with the gentleman, we also do not want to end up with OPIC going through so many different hoops and jumps that it cannot operate in the real world.

That is why the difference between the gentleman from California (Mr. ROHRABACHER) and myself is that I fear, frankly, the 120 days may go too long. That is why we picked the 60 days, which we think is a reasonable period of time.

Mr. CALLAHAN. I thank the gentleman. Reclaiming my time, Mr. Chairman, I would say that I apologize for not having a law degree. I do not mean to inflict any criticism on the law profession. My son-in-law is an outstanding lawyer, Dan Cushing, in Mobile, Alabama. Because of his profession, he supports my two granddaughters in a very, I think, well-to-do fashion.

But my concern is here, and if the gentleman says that we will work it out in conference, I will be happy to work with the gentleman. But what he is saying is adopt my amendment, which admittedly could cause great problems to the ability of OPIC to work with American companies, and then the gentleman says that we will work it out in conference.

Why do we not just withdraw the amendment, and then we will work it out in conference to make sure the environmental concerns are met?

Mr. Chairman, I would just say, I would respectfully ask the gentleman to withdraw his amendment because of the nebulousness of the fact that we have all of these concerns: whether or not the Inspector General is going to be the agency determining which loans are going to be processed, whether or not they have the ability of some organization, some environmental organization or individual who writes a letter, and then it kicks in or triggers the opportunity for delay of any project.

Then we are noncompetitive, because the Japanese do not have this restriction, the French do not have this restriction. No other country has these types of restrictions, yet we have an agency which is complying with most every environmental concern that we have.

I think we might be jumping into waters filled with alligators. We do not want to do that. I know my good friend, the gentleman from Connecticut (Mr. GEJDENSON) does not want to do that, either. Yet, I am afraid, without having the opportunity to review this with the lawyers, that to force OPIC to obey our environmental concerns, we may be jumping into that pond of alligators.

□ 1400

PARLIAMENTARY INQUIRY

Mr. ROHRABACHER. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The gentleman will state his parliamentary inquiry.

Mr. ROHRABACHER. Mr. Chairman, is this the time that if I had an amendment to the amendment of the gentleman from Connecticut (Mr. GEJDENSON) that I would submit that amendment?

The CHAIRMAN pro tempore. Yes, it could be offered at this time.

AMENDMENT OFFERED BY MR. ROHRABACHER AS A SUBSTITUTE FOR AMENDMENT NO. 1 OFFERED BY MR. GEJDENSON

Mr. ROHRABACHER. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The CHAIRMAN pro tempore. The Clerk will report the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROHRABACHER as a substitute for amendment No. 1 offered by Mr. GEJDENSON:

Strike the text of the amendment and insert the following:

SEC. 5. ENVIRONMENTAL REQUIREMENTS FOR OPIC.

Section 239(g) of the Foreign Assistance Act of 1961 (21 U.S.C. 2199(g)) is amended—

(1) by inserting ''(1)'' after ''(g)''; and

(2) by adding at the end the following:

''(2) The Corporation shall not issue any contract of insurance or reinsurance, or any guaranty, or enter into any agreement to provide financing for any Category A investment fund project as defined by the Corporation's environmental handbook, or comparable project, unless all relevant environmental impact statements and assessments and initial environmental audits with respect to the project are made available for a public comment period of not less than 60 days.''.

Mr. BEREUTER. Mr. Chairman, I reserve a point of order.

Mr. ROHRABACHER. Mr. Chairman, the amendment that I am offering to the amendment of the gentleman from Connecticut (Mr. GEJDENSON), again reinforcing the fact that the two pieces of a legislation or two amendments that we have both introduced have precisely the same goal, my amendment, the one objection that the gentleman seemed to speak about a few moments ago was that we elongated the process up to 120 days. That has been crossed out. It is no longer part of my amendment.

What the difference between our amendments seem to be is that the gentleman is offering an amendment that requires only the environmental impact report to be made available by OPIC for the loan to go forward, and we are talking about 60 days prior to the transaction. My amendment agrees with all of the points that the gentleman has made in his amendment, but it also says not just the environmental impact report but all environmental statements, all environmental analyses, all of the studies that have been done that deal with the environmental issues on these proposals overseas should be made available.

I do not see any reason why we should just make one thing available. What we are asking for otherwise is the possibility of hiding from the public information that might suggest, for example, that the project being funded could result in horrendous environmental problems in Brazil or Indonesia but that that report, which is not included in the environmental impact report, remains stuck in the safe at OPIC.

I do not think that that is good business on our part, and I would say to the gentleman from Alabama (Mr. CALLAHAN) to the degree that businesses are worried about their own secrets and doing business overseas, they should only worry about that if they are doing it at their own risk. When they come to the taxpayers, asking us to pick up their risk, they then have no right to keep from the taxpayers the information as to whether or not that guarantee, whether or not it is consistent with the values of the American people. The American people do not want their dollars going to these huge corporations that have major projects overseas that would rape the environment of these foreign countries.

Yes, we would like to have the minerals and have those minerals available, but sometimes what we have done in the past is destroy the historical legacy of countries. Whether like

Burma, which is a dictatorship, or Indonesia, which was a semi-dictatorship, or Brazil, which is somewhat of a democracy, we do not want any information that would help us determine the economic viability of these projects to be kept from the American people. I think it is very reasonable, and I would hope that the gentleman from Connecticut (Mr. GEJDENSON), whereas we have the same goal in mind we simply are saying that all the information should be available, would accept my amendment.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I would like to be able to accept the amendment of the gentleman from California (Mr. ROHRABACHER), but we still have some problems with the language in that it is not as simple as the gentleman presents it. The situation that the gentleman presents would involve, indeed, proprietary information beyond simply environmental assessments that are mandated under the procedures of OPIC. I think the gentleman from Alabama (Mr. CALLAHAN) was right. There were so many amendments flowing around we have had a little of this today, but I think the gentleman from Alabama (Mr. CALLAHAN) and I both have a concern here that what the gentleman does creates a couple of hurdles.

The reason I would oppose the gentleman's amendment in the present form is that what I think it would do is, if the gentleman's amendment prevails, it would increase the likelihood that we would make no environmental progress in this legislation.

I think if the gentleman can work with us, we may be able to address some of his concerns, but I do not want to leave here, and that is what I was trying to tell the gentleman from Alabama (Mr. CALLAHAN) earlier, I do not want to leave here with a bill that leaves a cloud over the process.

Mr. ROHRABACHER. I would be willing to withdraw my amendment under the agreement with the gentleman from Alabama (Mr. CALLAHAN) and the gentleman from Connecticut (Mr. GEJDENSON) that they would work with me in trying to develop appropriate language that would be agreeable to all parties.

Mr. GEJDENSON. I certainly would do that because I think the gentleman's goals are laudatory. We are all in the same place. We just do not want the process to tie OPIC up in knots so they cannot move forward.

Mr. ROHRABACHER. Mr. Chairman, reclaiming my time, all too often American tax dollars are used for things that are very horrendous to the values of the American people. They deserve that information, and people who go to the Government and ask for guarantees should not be asking for secrecy and proprietary rights on the information of their investments; and I think that all of us agree on those points, but we still want to move forward.

This is not an obstructionist amendment, and I agree to work with my colleagues.

Mr. Chairman, I ask unanimous consent to withdraw the amendment offered as a substitute for the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. Chairman, I would ask the distinguished gentleman from Connecticut (Mr. GEJDENSON) if he could respond to a few questions with respect to the underlying amendment which is the Gejdenson amendment and which is also offered by the gentlewoman from California (Ms. LEE).

What I am concerned about is that with every good intention, we may be creating such a delay in the process that OPIC cannot act in a timely fashion to meet the competition from the export assistance or promotion agencies of other countries. Could the gentleman tell me, by walking through once, how he expects that the processing of an application would work if the gentleman's amendment were adopted? I yield to him for that purpose if he wishes to respond.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, as far as the time line goes, it would be consistent with OPIC's present rules, which have been on occasion short circuited, whether intentionally or unintentionally. Under the present rules that OPIC operates under, OPIC has to provide 60 days for commentary on environmental statements.

What has happened in the past, and has caused great concern, particularly with people who are concerned about the environment, is that while they left the 60 days open, the board voted on it 45 or 50 days into the project. OPIC supports this provision. They recognize that this strengthens their position with the American public and it is a good amendment. They do not have a problem with the 60-day provision part of it.

Mr. BEREUTER. Mr. Chairman, reclaiming my time, is the gentleman saying OPIC supports his amendment?

Mr. GEJDENSON. Not the entirety of the amendment, because I think they are probably not crazy about having the IG review their procedures, as none of us are when we ask an outside independent agency to come in and review. They do not have a problem with the 60 days.

Mr. BEREUTER. Reclaiming my time, I would ask the gentleman if he would expect that the IG review would take place at the earliest possible occasion and that it is his expectation that such an audit would be a one-time only event until some changes would precipitate the need for another IG audit?

Mr. GEJDENSON. It is a one-time review, just a simple review by the IG for their procedures to make sure they work.

Mr. BEREUTER. Is it true that the procedures set fourth in this amendment are primarily or largely restricted to their environmental review?

Mr. GEJDENSON. Exactly prescribed to be simply the environmental areas.

The CHAIRMAN pro tempore. Is there further debate on the amendment offered by the gentleman from Connecticut (Mr. GEJDENSON)?

If not, the question is on the amendment offered by the gentleman from Connecticut (Mr. GEJDENSON).

The amendment was agreed to.

AMENDMENT NO. 6 OFFERED BY MR. ROHRABACHER

Mr. ROHRABACHER. Mr. Chairman, I offer amendment No. 6.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. ROHRABACHER:

Page 6, add the following after line 25 and redesignate succeeding sections, and references thereto, accordingly.

SEC. 5. PROHIBITION ON OPIC FUNDING FOR FOREIGN MANUFACTURING ENTERPRISES.

Section 231 of the Foreign Assistance Act of 1961 (21 U.S.C. 2191) is amended by adding at the end the following flush sentence: ''In addition, the Corporation shall decline to issue any contract of insurance or reinsurance, or any guaranty, or to enter into any agreement to provide financing for an eligible investor's investment if the investment is to be made in any manufacturing enterprises in a foreign country.'',

Mr. ROHRABACHER. Mr. Chairman, this amendment is simple and represents basic common sense. It also goes to the heart of the debate here today. All it says is that OPIC may not provide taxpayer backing for manufacturing plants overseas. We have heard time and time and time again in this debate that OPIC creates jobs overseas. Everyone who is supporting the OPIC authorization comes up with jobs overseas.

Well, it is my contention that one cannot build factories overseas without having a negative impact on jobs in the United States. That makes all the sense in the world. Those who are listening to this debate need to listen very carefully. This is the center, the core of the debate on OPIC. What my amendment does is say that none of this money that is used by OPIC will be used to subsidize and to guarantee an investment that creates a manufacturing unit overseas.

Again, by definition, that manufacturing unit will do one of two things. Opening up a manufacturing unit overseas will either reduce the number of jobs in the United States by either exporting the goods produced in those factories to the United States, or they

will reduce the jobs in the United States by producing over there goods that should be produced in the United States and exported to that country, or number two, what will happen by building a factory overseas it will prevent the creation of new jobs in the United States. Either way, we do not want to have taxpayer money being used to reduce the number of jobs, to create competition for our products overseas, or to prevent, because the jobs are now being exported over there, the creation of new jobs in the United States because they are all going to another country.

By the way, although we have no guarantees here, that is especially true of nondemocratic countries. Again, OPIC is offering a perverse incentive for American businessmen to go overseas to build manufacturing plants, to use slave labor or cheap labor, depending on if it is a democratic or undemocratic country, and then to reexport those goods to the United States of America.

The gentleman from Ohio (Mr. TRAFICANT) was right when he was concerned about this incredible trade deficit that we have. Well, this has something to do with it. We are subsidizing people creating businesses overseas that create employment in Vietnam.

Well, I have nothing against Vietnam except for the fact that it is a dictatorship and also the fact that I think we should watch out for the American people and our constituents before we watch out for creating jobs in Vietnam or any other Third World country.

This is the essence of the debate on OPIC, my amendment. I understand there may be another amendment offered to my amendment, which will simply say that OPIC can move forward if it does not determine that the number of jobs will be reduced. Well, I am sorry, that is not good enough because that type of approach means that there will be no new jobs created in the United States. That means that jobs would have been created in the United States; but by saying if it does not result in a reduction then we can just see to it that no new jobs are created in the district of the gentleman from Illinois (Mr. MANZULLO), or wherever.

I do not think it is good for us to build tractor factories with taxpayer subsidies in Vietnam or anywhere else. I do not think it is good for us to even build hotels necessarily, but this amendment specifically says manufacturing units.

□ 1415

It says it shall not be the policy of OPIC to provide taxpayer support and subsidies for businessmen going overseas. Again, why are we giving people an investment to invest in risky situations? Do we want the taxpayers to risk hundreds of millions of dollars in a risky situation when, instead, they could come to the United States.

Do my colleagues know why it is not risky in the United States? It is not risky in the United States because the American people, the American working people support free enterprise, support democracy, recognize the rule of law. Now we are punishing them because they have been so good and so true and faithful to American principles and have made this a good place so we do not need to provide risk insurance for the United States.

We are going to take their dollars out of their pockets, these decent, hard-working Americans, and guarantee the building of factories overseas that will compete with their jobs. This is ridiculous.

Again, how this amendment is voted on and how the people will vote on the amendment that is a gutting amendment that could be offered to this is the essential part of the debate today. I hope people pay attention.

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

Mr. Chairman, I rise to speak in opposition to the Rohrabacher amendment. I understand his passion, and I certainly share his concern about American jobs. But the fact is I believe that this amendment, which is well-intentioned, is unnecessary and actually penalizes those that it is intended to protect, which is U.S. workers.

OPIC is already committed in the law not to export jobs. It is statutorily prohibited from supporting any project that is likely to have a significant negative effect on the U.S. economy. A business that receives OPIC's support must agree not to transfer U.S. jobs overseas. OPIC monitors projects and terminates assistance if a company deviates from its commitment to protect U.S. jobs.

Now, OPIC's economists already screen each prospect project for its impact on U.S. jobs and exports. As mandated by its authorizing statute, OPIC does not support any projects that might harm the U.S. economy or that will result in a loss of a single U.S. job. It operates a comprehensive program to monitor each and every project it assists for its impact on the U.S. economy.

After it approves a project, OPIC monitors such a project from the beginning to the end of the agency's contractual commitments to it. It monitors, and its monitoring enables the agency to check the accuracy of its own methodologies, ensuring the project investors live up to its original representation.

Now, there is a ban on manufacturing projects which would hurt U.S. companies and the U.S. economy. Manufacturing projects help create new markets for U.S. goods and services, which would be lost if the Rohrabacher amendment were adopted.

Restricting the type of projects OPIC supports would put U.S. companies at a competitive disadvantage with their heavily subsidized foreign counterparts. For example, if one has an auto manufacturer who is both foreign and domestic, having manufacturing plants all over the world to be closer to their consumer market, the absence of OPIC support may have the intended effect of keeping an auto maker from having a plant in Argentina. But it will also mean that the company will sell considerably fewer cars in Argentina because they would have used U.S. manufactured parts, inputs that would have generated exports and create American jobs here at home. That is an example of what, in fact, we would do.

This is not about taking some plant that exists in the United States and, as a result of OPIC's efforts, transferring it to some other country abroad. I think, generally, we would be opposing that. That is not the issue here.

The issue here is whether or not we allow OPIC to make such an investment in a plant that does not exist now, that will not detract from American jobs, and that, by doing so, will create American design and American parts that will be used in that plant that ultimately will create jobs here at home.

So I understand the gentleman's concern. But the fact of the matter is the very concern he has is undermined by his amendment. It is important that we look at the whole picture. It may not be a choice between manufacturing in the United States or overseas, but, rather, whether or not to manufacture at all if a company cannot get sufficient financing or insurance to make the investment.

It is a lot better to make sure that, when we create the opportunity abroad, that it is an American product and American design using American imports with American workers and American ingenuity to, in essence, influence that market and to create the jobs here at home that will go towards that manufacturing plant in that regard that did not exist here and would not exist here under the set of circumstances that the gentleman from California (Mr. ROHRABACHER) envisions.

I think we need to defeat his amendment. I know we need to defeat his amendment to protect the very goal that he seeks to preserve.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would like to apprise Members that the Chair is alternating recognition across the aisle, and giving preference to Members of the Committee on International Relations and on the basis of seniority on the Committee on International Relations.

AMENDMENT OFFERED BY MR. MANZULLO TO AMENDMENT NO. 6 OFFERED BY MR. ROHRABACHER

Mr. MANZULLO. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MANZULLO to Amendment No. 6 offered by Mr. ROHRABACHER:

In the amendment strike: ''in any manufacturing enterprise in a foreign country'' and insert: ''in a manufacturing enterprise in a foreign country, if such investment would

cause a reduction in manufacturing in the United States.''

Mr. MANZULLO. Mr. Chairman, I appreciate the efforts of the gentleman from California (Mr. ROHRABACHER), and I always admire his spirited debate. The problem with the Rohrabacher amendment is that it would prohibit an American firm from setting up an American enterprise overseas that does even the most modest of manufacturing.

For example, one could set up something overseas that would be similar to a warehouse that does minor assembly. The American manufacturer would send his products to the overseas facility for minor assembly for the purposes of thereafter storing and then reselling to the local market. It is not uncommon to ship components from different parts of the country for final assembly in a foreign country. The Rohrabacher amendment would prohibit that, even if that is an American-owned company.

What our amendment does to his is says, look, we will restrict an OPIC guarantee in a manufactured enterprise in a foreign country only if such an investment would cause a reduction in manufacturing in the United States. It is all about jobs. So we are saying OPIC cannot get involved if it results in the loss of American jobs.

That is already present in American law. Take the case of Monique Maddy. Monique was born in Liberia. She is a United States citizen. She got an OPIC guarantee to set up operations in Tanzania and Ghana. She sends U.S. manufactured communication components to two facilities in Africa where they are assembled and used for African consumption, thereby having 400 to 500 jobs in Africa.

Now, under those circumstances, that is not displacing American jobs because the Americans would not be manufacturing here and shipping over there. But what it is doing is it is increasing American exports of those American made products.

I would ask that the Members of Congress, the Chair entertain using the Manzullo amendment as a perfecting amendment to the Rohrabacher amendment.

Mr. Chairman, I yield to the gentleman form Alabama (Mr. CALLAHAN).

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding to me. I think he is right on target. As bad as the gentleman from California (Mr. ROHRABACHER) despises OPIC, his intent is to destroy OPIC. Essentially what he is saying is, let us get rid of OPIC through this obnoxious amendment. What his amendment does is does exactly what he says he wants to do, protect American jobs. So what he is saying is exactly right, that, yes, we can create opportunities in foreign countries, but not at the expense of one American job.

The amendment of the gentleman from Illinois (Mr. MANZULLO) corrects it to the extent that it should be and still gives us opportunities to compete with the French and the Japanese and other countries.

So I know that the mission of the gentleman from California (Mr. ROHRABACHER) is to totally eliminate OPIC. I think that there are a couple of Members of the House that would like to do away with OPIC. But their rationale is ill-founded and should not be considered.

But the Manzullo amendment does exactly what he is saying he wants to do, that we will not go into any foreign countries and make any guarantee of investment if, indeed, it is going to cost us one American job.

I get that as the mission of the gentleman from California (Mr. ROHRABACHER), but his amendment, the way it is written, would completely eliminate the ability of OPIC to assist any American who wants to go into a foreign country to create an opportunity there to compete with the Japanese and the French.

We are saying we will accept the amendment if the gentleman from California will allow us to perfect it to the extent that it protects American jobs. That is his mission according to his statement, and that is the mission of the gentleman from Illinois (Mr. MANZULLO). So I would support the gentleman's perfecting amendment to the gentleman from California.

Mr. MANZULLO. Mr. Chairman, reclaiming my time, essentially, if my colleagues support the mission of OPIC, then the Members should support the Manzullo perfecting amendment to Rohrabacher.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. Yes, I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, I am trying to understand the impact in terms of the loss of a single job. May I give an example and ask how it would apply.

Mr. MANZULLO. Yes.

Mr. BLUMENAUER. Mr. Chairman, there is a small lumber company in my State, Ochoco Lumber, that has used OPIC to set up a mill in the former Soviet Union; Lithuania, I believe, is the country. As a result of this manufacturing process, they have been able to get product that they cannot get in Oregon because of some of the environmental and supply problems.

Mr. MANZULLO. Mr. Chairman, the Rohrabacher amendment would not allow that.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MANZULLO) has expired.

(By unanimous consent, Mr. MANZULLO was allowed to proceed for 1 additional minute.)

Mr. MANZULLO. Mr. Chairman, I yield further to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, what I was trying to clarify is that this has created hundreds of jobs in depressed central Oregon. It may theoretically have displaced one job someplace in the United States.

I understand the Rohrabacher amendment would kill what we have done in this small mill.

Mr. MANZULLO. Mr. Chairman, the gentleman is correct.

Mr. BLUMENAUER. But what about the gentleman's perfecting amendment?

Mr. MANZULLO. Mr. Chairman, our amendment will allow the present operation of the gentleman's constituent's firm in Lithuania. That is correct.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the American people recently learned that more of the goods sold here are manufactured in foreign countries than in the U.S. That trend is getting worse. The trade deficit is at a record high. For that reason, I rise in support of the amendment of the gentleman from California (Mr. ROHRABACHER).

It is well known that global trade agreements like NAFTA have worsened the trade deficit by making it easier for companies to close their American plants and re-open them in developing countries where they do not have to pay a decent wage, where they do not have to prevent work place injuries, where they do not have to curb pollution.

The Overseas Private Investment Corporation does the same thing and adds to the same problem when it subsidized companies to open factories in foreign countries.

Now, the example was given of an auto company. Let us say an American manufacturer would want to open up an auto company in another country. Well, I am opposed to using U.S. taxpayers' money to help do that because that takes away jobs of auto workers in this country, pure and simple. It does not get much more complicated.

So if we use that example, it totally validates the reason why the amendment of the gentleman from California (Mr. ROHRABACHER) ought to pass this House. U.S. tax dollars should not be used to undermine markets here in the United States and to cost the people who pay our salaries their jobs.

Why should any agency of the United States Government subsidize the trade deficit and the loss of U.S. jobs? Congress should not tolerate it.

The Rohrabacher amendment simply prohibits any OPIC support for worsening the trade deficit, worsening the trend of plant closings in the United States.

Mr. Chairman, I am glad to yield to the gentleman from California (Mr. ROHRABACHER), who I think could help elucidate this subject.

Mr. ROHRABACHER. Mr. Chairman, I think that we have heard some very good examples, and they keep coming from those people who are opposing my position here. For example, do we really want to have OPIC giving, providing hundreds or tens of millions or hundreds of millions of dollars to build a

saw mill in gangster-ridden Russia? I do not know what the environmental impact of that is going to be. I think we ought to know about that.

Why do they not just go to Burma with that sawmill where they have got a vicious dictatorship that they can pay off and chop down all the teak wood. That is going to create a lot of jobs here, is not it? No, it is not. It is going to spoil the environment, and we need to know about that.

The fact is this is not a perfecting amendment. As much as I like the gentleman from Illinois (Mr. MANZULLO), he is a wonderful colleague, we are good friends, this is not a perfecting amendment. This is a gutting amendment.

Already we have been told it is already policy of OPIC not to do things where there are loss of jobs. Well, if that is the case, accept my amendment. But the central issue here is not that, and the gentleman from Illinois (Mr. MANZULLO) understands that.

The central issue is whether or not building factories overseas in and of itself, prima facie evidence, determines whether or not jobs will be created overseas rather than here.

The Manzullo amendment, which I think just basically is weasel words in action here, because it permits OPIC to subsidize the building of manufacturing units overseas that they determine, OPIC determines, will not reduce employment here.

□ 1430

But OPIC does not believe building factories overseas reduces employment here. Let me point this out. Even if the gentleman from Illinois (Mr. MANZULLO) is correct and it does not have a reduction of employment here, what we are doing is subsidizing the building of manufacturing units that will prevent the creation of new jobs here, and there is no doubt about that.

Mr. KUCINICH. Mr. Chairman, reclaiming my time, I yield to the gentleman from Illinois (Mr. MANZULLO) because I think this debate is healthy for the House.

Mr. MANZULLO. Mr. Chairman, we have a U.S. company building a lumber mill in Lithuania using Lithuanian lumber. Under no circumstances is that going to result in the loss of American jobs.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. KUCINICH. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I do not know if we have unemployed lumberjacks in this country or not. I do not know whether or not there is unemployment in the part of the country of my colleague. I think there might be some unemployed lumberjacks in this country that would prefer creating the jobs here in the United States of America.

Of course, then we have to have some environmental controls so that some of these big companies could not rape the environment.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The time of the gentleman from Ohio (Mr. KUCINICH) has expired.

(By unanimous consent, Mr. KUCINICH was allowed to proceed for 1 additional minute.)

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. KUCINICH. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, the notion that somehow because there are people that are lumberjacks that are unemployed because there is not access to timber supply means that mill workers should not be allowed to process timber and use materials to build that mill from Oregon escapes me.

It seems to me that we are better off having those people using Oregon products, Oregon companies thriving, and that it does not do anything to affect the timber supply or lack thereof in the Northwest.

Maybe I am missing something.

Mr. KUCINICH. Mr. Chairman, I yield to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, obviously, this lumber mill example is a very tiny, minuscule, one-half of 1 percent example of what OPIC does.

When we are talking about manufacturing units, we are talking about tractor factories; we are talking about other kinds of manufacturing that are heavy, heavy manufacturing. We are also talking about other exploitation of natural resources.

Mr. KUCINICH. Mr. Chairman, reclaiming my time, I would like to just say that it is a great debate, but the thing that we have to be concerned about is the impact of OPIC on our heavy manufacturing, the export of U.S. jobs, and a widening of the trade deficit.

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

Mr. Chairman, I rise in support of the Manzullo amendment to the Rohrabacher amendment.

If my colleagues and the American public are somewhat perplexed about what is happening here, it is understandable because the arguments that are being raised, I think, are turning rationality on its head.

What the gentleman from Illinois (Mr. MANZULLO) is attempting to do by his perfecting amendment would say that there must not be a net loss of manufacturing jobs in the United States under OPIC activity. And that should be the objective. That is what the gentleman from California (Mr. ROHRABACHER) says he wants to accomplish.

The gentleman from Alabama (Mr. CALLAHAN) indicated a few minutes ago that the Manzullo amendment accomplishes just what the gentleman from California (Mr. ROHRABACHER) says he wants to do, but that perhaps he has a different motive.

Now, I do not know whether that is the case or not about the gentleman from California, but my colleagues should not be confused by this issue.

Let us suppose an American firm wants to create a canning factory for mangos in India. Now, we do not can mangos in this country, no, not even in Hawaii. The Rohrabacher amendment would prevent OPIC assistance to an American firm which wanted to build or help build a plant in India to can mangos. That would be, a net gain in manufacturing jobs for the United States because the products to produce the canning factory are likely to come from the United States. But there are jobs in manufacturing being created in India, and the gentleman from California (Mr. ROHRABACHER) would prevent that by his amendment just as he would prevent a tea operation in Sri Lanka.

The gentleman from Oregon (Mr. BLUMENAUER) was trying to indicate that in this case the OPIC guarantee for a firm in Oregon actually resulted in net manufacturing jobs being created in the United States, not a loss. So the gentleman from Ohio (Mr. KUCINICH) ought to be in favor of the Manzullo perfecting amendment and opposed to the Rohrabacher amendment because the gentleman from California (Mr. ROHRABACHER) kills, inadvertently perhaps, unintentionally perhaps, he kills American manufacturing jobs that are created by OPIC.

What we need to be concerned about, already addressed in law, is that OPIC activities do not result in a net reduction in manufacturing jobs in America. The Manzullo perfecting amendment will do just that. His amendment indicates that, in effect, if there is a net reduction in manufacturing jobs in the United States, then there would be no OPIC activity, but only if there is a net reduction, not just if there is one manufacturing job created abroad. It is not a zero-sum game on job creation under OPIC activities, my colleagues.

Support the perfecting amendment offered by the gentleman from Illinois (Mr. MANZULLO), a perfecting amendment to the Rohrabacher amendment. Vote ''yes'' on Manzullo.

Mr. MENENDEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise to support the Manzullo amendment, as well, because it does go to the very core of what the gentleman from California (Mr. ROHRABACHER) says he wants to accomplish and, in essence, accomplishes that. It clearly says, if any such investment would cause a reduction in manufacturing in the United States, then clearly OPIC would not be able to pursue such an investment. And so that ultimately goes to the question of do we lose any American jobs.

But if we do not adopt the Manzullo amendment and we were to adopt the Rohrabacher amendment, then, as the gentleman from Oregon (Mr. BLUMENAUER) has suggested just a few minutes ago, the reality is that we would lose those American jobs that

would not exist but for the opportunities created by that company in Lithuania. The reality is that we would lose opportunity here at home to create products that would be used abroad in the development of the products being made in these manufacturing plants abroad. The fact of the matter is that, in essence, we would lose American jobs here at home.

But I think our colleagues in their passion, and I understand their passion, not to lose American jobs are blinded by the fact that, in fact, what they seek to do, in essence, will make us lose American jobs here at home.

We are much better off to ensure that opportunities of manufacturing here, at home, parts or other supplies that will be used abroad in an investment make eminent sense. And we are much better off to ensure that, in fact, that the last 5 fiscal years where OPIC has supported 43 manufacturing plants have generated $3.1 billion in United States exports and over 10,000 U.S. jobs.

Now, if we adopt the Rohrabacher amendment, we will lose the $3 billion in potential U.S. exports in the future, these are real exports that have taken place; we will lose those in the future and whatever else we can enhance; we will lose the 10,000 jobs created here in the good ol' U.S.A. That is not what our intention is.

Our intention is to create jobs here at home, to promote American interests here at home. And we are also promoting it abroad, because often what we are doing is creating new markets abroad when we make these investments, which not only are investments that are repaid but end up generating revenue for the Treasury of the United States.

So I want to support the Manzullo amendment very strongly. It will accomplish what the gentleman from California (Mr. ROHRABACHER) wants to do, but it will not strike the blow to American jobs here at home that the Rohrabacher amendment would.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wanted to inject a small note of what I think is reality in the discussion in terms of what difference it will make for hundreds and thousands of small businesses around the country.

The gentleman offers an amendment, and people think it is well intended. I do not know that it is necessarily well intended because I think we have already had a perfecting amendment that has been offered that clearly states how existing policy can be reaffirmed.

We already know that OPIC is constrained by its statutory framework and by its own internal operations from the result that the gentleman is talking about.

He dismissed the example, a real-life example, of a struggling timber company in eastern Oregon as that is just 1 percent or half a percent, while arguing that, well, why do not we just go ahead and give money to the Burmese Junta to cut down teak forests?

Well, what is lacking in this discussion is any concrete example of where there is, in fact, a specific area of abuse, where the existing law and the protections thereof are not being followed, where there is a massive loss, where we are giving money for the leveling of teak forests by the brutal dictatorship in Burma. It is thrown off. I am not aware of any example. Nothing specific has been brought forward.

But he dismisses something that results in American jobs, American products in an area that is hard hit in my community. And I just think that that is what is fundamentally wrong with the debate that we have before us today, Mr. Chairman, that we do not have specifics in areas of real abuse; and we take the hundreds and thousands of a tenth of a percent here or 1 percent there that are real successes for American companies and for countries overseas like in Latvia, where they are struggling to recover from the yoke of Soviet oppression, where they are trying to modernize and refine their economies, where they are trying to enter the world stage, and we have a classic win-win. And that is just dismissed out of hand as that is just 1 percent or 2 percent.

I could stand here and give example after example in my State where not billions but tens of millions of dollars have generated Oregon products that have created hundreds of jobs in our State and where the subcontractors of little tiny companies that nobody has heard of outside the boundaries of our communities that has made a difference.

I think it is time for us to not use hyperbole and hypotheticals that are not proven, that, in fact, are contrary to practice and statute of OPIC and dismiss the good that is done by allowing American companies to be able to work in difficult situations, help emerging democracies, strengthen these economies. I think this is precisely what we should be doing.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, again I remind my colleagues who are following this in the CONGRESSIONAL RECORD or on C-SPAN that this is the essential part of the debate, this is the central issue, and what I think that they ought to try, whoever is listening or reading this in the CONGRESSIONAL RECORD to determine what makes sense and what does not make sense.

The other side is saying, having our Federal tax dollars being used to subsidize the building of factories overseas is not doing anything to hurt American working people. Building factories, manufacturing units overseas does not hurt American working people. That is what they are saying.

Now, if that makes no sense to my colleagues, I would invite them to try to look and see what is happening here. We have got some huge American corporate interests, huge, companies that are worth billions of dollars. They have got hundreds of millions of dollars invested overseas that they would like to make where they do not have to pay the salaries to American workers and they want that guaranteed by the taxpayers. That is what this is all about.

They do not want to invest here. They do not want to take that money that they would invest in that lumber company in Lithuania. They do not want to set up some kind of factory in the United States that creates prefabricated walls or invests in something that deals with construction that could give jobs to the American people. They want to go to Lithuania.

No, but that has no impact. Just giving them the guarantee to produce that in Lithuania has no impact on the American unemployment. Gobbledygook. Nonsense. The Manzullo amendment is not a perfecting amendment. It is a gutting amendment.

□ 1445

I might add the gentleman from Nebraska (Mr. BEREUTER) who unfortunately is not here with us today, I mean right now, he was with us earlier, made the point that the Manzullo amendment said that there will be no reduction of jobs, no net reduction of jobs. The gentleman from Nebraska said over and over again, no net reduction.

I am sorry, but that is not what the Manzullo amendment does. It is not what it says. The word ''net'' is not in there. The word ''net'' is not in there because the Manzullo amendment is what we call a gutting amendment.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, I was going to ask for unanimous consent to add the word ''net'' in my amendment.

Mr. ROHRABACHER. I wish the gentleman would do that on his own time. I thank the gentleman for using my time.

If the gentleman wants to have good relations in this body, we do not waste each other's time. The gentleman has plenty of time to do that later on.

The Manzullo amendment does not say ''net reduction.'' It just says ''reduction.'' Whether it says net reduction is irrelevant because of this point: It is all based on the analysis of OPIC, and OPIC believes in this gobbledygook that we have been hearing today that if you create jobs, or if you build factories overseas, that it will not hurt American workers because if you analyze things out to the nth degree 100 years from now, their consumers are going to have more money to buy American products because they will have good-paying jobs there to buy American products. This sort of nonsense, this sort of just pie-in-the-sky economics, liberal economics, if you

will, is bringing down the standard of living of the average American working person that works in manufacturing jobs in the United States. All the examples we have heard of today hurt American workers.

Again, the gentleman from Nebraska talked about, what is wrong with building a canning factory for mangos in some other country? Well, how about it? Do we not have farmers and agricultural workers that provide some sort of competition for mangos? In California, I think they actually can oranges and grapefruits. They can pineapples in Hawaii. No, I do not want to establish a factory with taxpayer-guaranteed money that will manufacture canned mangos overseas in competition with American agricultural products. It might be a little bit hard to see, but I think the American people fully understand that what this amendment does is it guts my amendment and it leaves open the subsidy of building factories and manufacturing units overseas that will destroy American jobs, either American jobs that exist, or it will destroy the possibility of creating new jobs. In fact, the gentleman from Illinois' language specifically permits there to be a subsidy for an American company if the only impact is the elimination of the creation of new jobs, as long as it does not reduce current jobs. I am sorry, but we have had an expanding population in the United States. If someone wants to invest overseas, they should be doing so at their own risk. That is all we are saying. It is unfair and a betrayal to our taxpayers to set up factories overseas guaranteed by their money that competes with their own job.

Mr. Chairman, I ask for the Manzullo gutting amendment to be defeated and support for my amendment.

Mr. PASCRELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to voice my support of the Rohrabacher amendment and oppose the gentleman from Illinois' attempt to, I believe, either circumvent, undermine, use whatever word you wish. I think in the area of trade that the jig is up, and that the American people will no longer tolerate trade agreements where we wind up, and this is not a trade agreement, I understand that, where we wind up as the monitors of the world.

It does not work that way. WTO has not worked, our trade agreements to the South and to the West have not worked for the simple reason that there is no teeth, and we are depending on good will. Yet we read in the paper just a few days ago, ''Five Clothing Makers Agree on a Settlement, Sweatshops on Saipan Bring Class Action Suit,'' and the likes of Ralph Lauren, Donna Karan, the Gap, Tommy Hilfiger, Wal-Mart, go down the list, have to be reminded of the obligations and the undermining of the American ethic of work in our own country. Enough is enough is enough. If it takes the government to remind these great corporations, where our wives and our loved ones shop day in and day out, to even see on those labels, ''Made in the USA,'' tags which now consumers understand have nothing to do with where the product is made. That product, with that label, ''Made in the USA,'' once made sense, once had power. It meant that the product was made within our borders. It no longer means that, does it? We are opening up windows and doors and sides of buildings every day. These trade agreements, and OPIC is part of that scene, simply give credibility to those who want to isolate America. That is not the gentleman from California's intent. It is not my intent.

The Rohrabacher amendment is very simple. It seeks to prohibit OPIC guarantees from being used for investments in manufacturing facilities abroad. Our Nation has suffered enough job loss in manufacturing. We do not need to subsidize the creation of jobs abroad. We need to end exporting jobs from America. We need to do it today. OPIC will be fine for another time, not now. The jig, as I said, is up. It has been exposed. We protect the very businesses who put labels on products, be it textiles or machinery, all the same, that have nothing to do with the location, the geography where the product is made. How can we stand here and defend that and support opening our doors to that kind of lunacy? For those of us who are concerned about job loss, concerned about the working conditions at all of the plants in the article that I referred to, we have another example to point to with this settlement, quote-unquote, as if we needed one more.

The amendment would in no uncertain terms end an opportunity, Mr. Chairman, for OPIC to fund overseas industries that might compete with domestic American industry. We need to stop exporting our jobs. We need to go back and strengthen manufacturing within our own shores. On one side of our mouth, we talk about we are a Nation of immigrants. Yet this is how immigrants earned their identity in America, by working with their hands and making the products from their own sweat and their labor. We do not honor the commitment we made to immigrants in this great American society of ours by undermining the tenet to strengthen American jobs.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The question is on the amendment offered by the gentleman from Illinois (Mr. MANZULLO) to the amendment offered by the gentleman from California (Mr. ROHRABACHER).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. ROHRABACHER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 327, further proceedings on the amendment offered by the gentleman from Illinois (Mr. MANZULLO) to the amendment offered by the gentleman from California (Mr. ROHRABACHER) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT NO. 8 OFFERED BY MR. SANFORD

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. SANFORD:
Page 6, line 25, strike ''2003'' and insert ''2000''.

Mr. SANFORD. Mr. Chairman, I walked in here about an hour and a half ago hoping to very quickly offer an amendment and walk out. Yet we found ourselves in the middle of a very heated debate because people have very strong feelings on both sides of the OPIC debate. My hope is that this, however, will be something accepted by voice because I see it as completely noncontroversial. I see this simply as an amendment about good government, having nothing to do with the merits on one side or the other of the OPIC debate itself.

Specifically, when we think about the Federal Government, we do not like it, it is painful as we go through the process, but with the Federal Government we go through the authorizing and appropriating process every single year. The reason we do that is because we want to be accountable to the American taxpayer on a yearly basis for any of the money we spend here in Washington.

So we see this model at the Federal Government level. We see the model of annual statement and annual review in the corporate world. How many of my colleagues have ever seen a 5-year report? We do not see 5-year reports, we see an annual report. We see an annual budget and an annual income statement. In fact, if you think about it in your own homes, what you would see there, at least in our home, when my wife and I sit down to look at our family budget, if you think about setting your family budget, which we do on a yearly basis in our house, my wife and I sit down, we look at the numbers and we say, what could we set for our expenditures based on a given level of income over this year.

So in all of life, whether at the Federal Government level, whether at the corporate level or whether in one's home life, we see annual budgeting. Nobody sets spending on remote control except in Washington on a few different things.

All this bill does is say, rather than looking at a 4-year authorization for OPIC, let us simply look at authorizing it for 1 year. The merits behind doing that I think are severalfold. First of all, though we might disagree about the merits of OPIC, one side versus the other, one thing that I do not think we would disagree with is the idea that

the world changes. In fact, the Congressional Budget Office in a report showed that the United States taxpayer is liable for a full 90 percent of the loans, the contingent liabilities that go with OPIC funding. So if the world is constantly changing, would you not want to review those loans on an annual basis?

The second point would be that, and again there has been a lot of disagreement about this, does OPIC cost money, does OPIC not cost money? If we actually look at the numbers, the revenue that came into OPIC last year was $193 million. That was based on interest income based on U.S. treasuries that had been given to OPIC at their origin. Their actual net income was $139 million, for a net loss in terms of normal accounting of $54 million. Admittedly, $54 million is not a lot of money in Washington, but it is an expenditure of taxpayer money, and since it is an expenditure of taxpayer money, all this amendment does is say, ''Well, let's make sure that we authorize that, let's make sure that we look at that on a regular basis,'' because we look at every other area of spending basically on an annual basis here in this Chamber and there on the Senate side.

Finally, I would say, and again there was much controversy over this, and, that is, the idea of whether or not investment moves offshore as a result of OPIC. One thing, though, that we could probably agree on is if you change the risk of investment, you probably change where it goes. That is certainly the case with OPIC funding right now, because due to the insurance, due to the change in risk, there is probably an increase of investment overseas. We can debate whether that is a good or a bad thing, but that is a certain thing that skews investment toward overseas. Therefore, I would think, given the fact that trade numbers go up, trade numbers go down, that we too would want to review that on an annual basis.

I would urge the adoption of this amendment. I think it is an amendment having more to do with simple good government and accountability than the merits underlying OPIC. I would urge its adoption.

Mr. MENENDEZ. Mr. Chairman, I rise in opposition to the gentleman's amendment. I think the case for OPIC's longer term reauthorization is very strong. A 4-year extension does not increase OPIC's program ceilings. It continues OPIC's self-sustaining operations. It brings OPIC in line with its sister agency, the U.S. Export-Import Bank, which has a 4-year reauthorization. The notion that, in fact, we have only 1-year reauthorizations for all pieces of legislation is obviously not the case.

I am sure that gentleman, just as I, has voted for reauthorizations that have far extended beyond 1 year, and in fact there is good reason for giving reauthorizations for beyond 1 year. It is because we provide the wherewithal for that agency and/or that program to plan long term. Just as the private sector would plan long term in terms of making its investments and business decisions, just as we, as a government, hope to plan not just from year to year, but also long term as we make budgetary calculations and projections and do programmatic work, OPIC needs to be able to have the opportunity to plan long term, and such a reauthorization would not be unique.

Its business cycle, OPIC's business cycle, is long term. Many OPIC projects extend over a period of years. A 1-year authorization could threaten projects mid-term. If for some reason there is a delay in the authorization process, a 1-year authorization, I would submit, is really not in the best interests of an agency that in essence is self-sustaining. It needlessly burdens the legislative process with the sole intent of obstructing OPIC's operations.

A 4-year authorization provides American companies with security that their overseas investments will not be subject to congressional delays. A 4-year authorization does not impede the Congress from rescinding OPIC's operating authority at any time if the majority of this House wants to do that and it can get a majority in the other body and get the President to sign it. It can do that at any time if the Congress so chooses to do so.

So the fact of the matter is that we should not jeopardize the ongoing investment of American companies overseas who depend upon OPIC to protect their investments and to whom they pay substantial fees for that service. We should have some long-range planning here, particularly of an agency that, in fact, has shown itself worthy, is self-sustaining, produces revenues, creates jobs at home. And that, I think, makes eminent business sense; it makes good sense for the Congress to pursue. And so respectfully I oppose the gentleman's amendment.

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

Mr. Chairman, I rise in opposition to the amendment offered by my good friend and colleague from the State of South Carolina. We cannot plan to do anything financially in a 1-year period of time. The loans are for a lot more than 1 year, and we are asking that it be for 4 years, which is more reasonable.

Let me take this opportunity to tell my colleagues some of the things that OPIC does that many Members of Congress do not understand. OPIC got involved in helping to build a power plant in Guatemala. There was $100 million and OPIC insurance to build a plant that produces electricity to be sold in Guatemala. Now that is an American investment to a company there, and in turn American manufactured goods that go into the power plant are exported from the United States to Guatemala.

This is generally the nature of what OPIC does, and that does not displace American jobs because it is pretty difficult to export electricity to Guatemala, but what it does is it insures that loan from which the investor pays a premium and which has returned traditionally 150 to $200 million each year as a surplus to the United States Treasury.

Now without OPIC what company is going to invest in manufacturing electricity in Guatemala? Well, that is what OPIC does. That actually creates American jobs because Americans are employed in the manufacturing process of a material that is exported to Guatemala. So the whole purpose here is to show that an investment like that, we cannot have a 1-year authorization. It has to be a 4-year authorization at the minimum so as to have some continuity to the Federal investments that are made.

Therefore, Mr. Chairman, I would ask that the Members oppose the Sanford amendment.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, rise in opposition to this amendment. I have listened carefully. I do not think by any stretch of the imagination we should confuse long-term program stability with something that is operating on remote control.

I think one can look at the analogy to the family operating around the kitchen table, and it is true that sometimes there are some expenses that that family is going to look at over the course of the next year or maybe the next week or month if we are talking about grocery bills or entertainment. But that family rarely in a functional sense every week discusses whether or not they are going to move in front of the children, whether or not they are going to divorce, whether they are going to undermine the whole fabric of what that family is about. And I would respectfully suggest that that is what we are talking about here, moving from a longer term, 4-year operation to a shorter period of 1 year.

We are not talking about the kitchen table issues; we are not talking about next week's grocery bill. We are talking, as the gentleman from Illinois mentioned in great detail very eloquently, we are talking about fundamental business decisions involving investments of ten, sometimes hundreds of millions of dollars in areas that are potentially risky and difficult. People need stability in order to be able to make business-oriented long-term decisions.

As the gentleman from New Jersey (Mr. MENENDEZ) pointed out, we routinely on the floor of this assembly vote for authorization for a program that is 3, 4, 5 years. The Surface Transportation Act is a 6-year authorization routinely because we are looking at long-term infrastructure investments, and communities need that stability in order to make those decisions. If anything, a decision of this magnitude

might require more, rather than less, time because it combines the entrepreneurial activities along with the organizational governmental restraints.

The way that this has been able to be successful not using taxpayer dollars, has not lost a dime in terms of taxpayer dollars since 1971, and has surplused money in fact, is because it has been able to plan for the long term, been able to operate like a business, been able to even these things out. I would strongly suggest that we would be better off with a longer time frame than a shorter to keep that entrepreneurial long-term approach.

Mr. SANFORD. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from South Carolina.

Mr. SANFORD. Mr. Chairman, I would just make the point that in OPIC doing all of the things that the gentleman points out that in the last time it was authorized for 2 years, and it did not seem to cripple it then in its ability to produce those results; and, therefore, I just humbly suggest that if it was able to do it in 2 years then, why go to 4 years now? Why not keep it at that shorter span?

Mr. BLUMENAUER. Reclaiming my time, Mr. Chairman, and I think it is inappropriate, but I was not happy at the time that we were shortening the time frame, and I think the events in the last couple years have shown that there are problems in order for them to be able to operate in a changing environment in an entrepreneurial sense. In fact, our colleague from Nebraska is concerned about a situation in the troubled state of Indonesia and suggesting recommendations here on the floor to change that.

I feel that that is not something that is made easier by the shorter time frame. I think the longer time frame enabled people to solve problems that arise processing claims. Trying to move forward rather than having a shorter and shorter time frame here, going from 4 to 2 did not help make that problem go away any faster in Indonesia. Going from 2 years to 1 is not going to make it any easier in the future, and I personally have great difficulty thinking that I would be back here trying to explain to our colleague from Southern California how getting a milled product to an Oregon company to manufacture things in Oregon is good for the Oregon economy. The prospect of doing that every year drives me to the point of distraction.

Mr. SANFORD. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from South Carolina.

Mr. SANFORD. Then following that logic out, the gentleman would suggest we ought to go to a 4-year authorizing process in Congress as we authorize or appropriate?

Mr. BLUMENAUER. I would make a distinction between an entrepreneurial, quasi-public business-oriented activity that is involved with long-term investments and what we do here, everything ranging from paper clips to annual salaries to infrastructure investment. I would support a multiyear capital budget for the United States Congress, and I would consider a 2-year fiscal reauthorization, for instance, but I certainly would not shorten this.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as my colleagues know, I looked at OPIC every year since I have been here, and I can honestly say, although its goals may be worthy, it is pure corporate welfare.

We just heard it said that it did not lose any. It actually lost almost $50 million last year. It showed money on Treasury bonds of money that we have given them showing interest, but the actual losses, true losses were $54 million; $54 million of people's money in this country OPIC lost last year.

Okay, that is the truth about what they actually did.

Did they earn money on bonds, on money that we gave them? Yes, they did, but their net cash difference was $54 million.

Now I understand, if we work in a family, we are going to operate on the cash, and I understand we play all sorts of games in Washington, but the real fact is it is $54 million of the taxpayers' money went out the door last year with OPIC.

Let me explain also where some of it went. Coca-Cola, their profits in 1995, the last year we have all the numbers, was $2.9 billion; but they get $246 million from OPIC. Coca-Cola? We should be funding that when we hear time after time that we are not funding education well enough, that we are not funding the social needs of our country well enough; but we are going to stand up and say we are going to justify giving $246 million worth of insured assets to Coca-Cola?

How about Anheuser Busch? We gave them $49 million. They just made $642 million last year, and yet we are saying that we have a vested vital interest in building a beer factory outside of this country? Come on, give me a break. This is corporate welfare. We should not have welfare for the richest in our society, and to see the other side of the aisle defending sending this kind of money?

ITT Corporation, $160 million. They only made 147 million last year. Had they not had this money, they would have lost money.

So now what we are doing, we complain about the European Common Market, and I will be happy to yield when I finish my point. We complain about the EU and how they subsidize their farmers and that our farmers cannot compete with them. There is no difference in what we are doing, and we know it.

Let us talk about Levi Strauss. We are paying tons of money in the Northwest for displaced workers, and we give $47 million to build a factory to build jeans to come into this country and Turkey. That is what OPIC does. OPIC takes jobs from America and puts them somewhere else.

So the fact is that OPIC as an arm of our foreign policy is well intended, but like so many of the programs that the Government creates, it gets gamed, and it is gamed. If we are going to use it as a foreign policy tool, let us do it in a way that does not copy what the Soviet Union used to do. The right hand does not know what the left hand is doing when it comes to OPIC, and in terms of foreign policy there is no question this is absolute corporate welfare.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's courtesy. He mentioned $160 million that went to one company that was a difference between whether they made a profit or a loss?

Mr. COBURN. ITT.

Mr. BLUMENAUER. Is the gentleman assuming that this is money?

Mr. COBURN. No, no. I understand very well that this is a guaranteed loan or an insurance against a loan.

The fact is if they made $147 million on their own, why should we be guaranteeing their risk when they are in a return and they are going to get the benefit?

As my colleagues know, the world is global today, and we should not be giving the richest of our corporations a free ride when they go to take a risk. That is what the whole purpose of their investment strategy is.

I know we are going to do that to the American farmer. Not very many other businesses in this country do we guarantee them that they are going to have their loans paid off, do we guarantee them that they are going to make a profit. There is a reason why we do it for farmers, because we have an investment in the infrastructure that the farmer in this country supplies us and the quality of life. There is not a good reason for us to do it for the largest, the wealthiest, and the most profitable companies.

□ 1515

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman clarifying that this was a loan and it would not have made the difference between whether or not they made a profit or not.

Mr. COBURN. Mr. Chairman, reclaiming my time, it is a loan guarantee that one cannot get, the taxpayer cannot get; only if they lost everything in their life like the people in North Carolina, they are going to get some taxpayer-funded loan guarantees and some grants, but to give it to the wealthiest corporations in this country, absolutely not.

This is a sham as far as protecting big business. If big business wants to

invest in a foreign country and they think it is a good return, have them do it.

The CHAIRMAN pro tempore (Mr. EWING). The question is on the amendment offered by the gentleman from South Carolina (Mr. SANFORD).

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

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

The CHAIRMAN pro tempore. Pursuant to House rule 327, further proceedings on the amendment offered by the gentleman from South Carolina (Mr. SANFORD) will be postponed.

AMENDMENT NO. 10 OFFERED BY MR. TERRY

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. TERRY: Page 6, add the following after line 25, and redesignate succeeding sections, and references thereto, accordingly:

SEC. 5. CLAIMS SETTLEMENT REQUIREMENTS FOR OPIC.

(a) TIME PERIODS FOR RESOLVING CLAIMS.—Section 237(i) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(i)) is amended—

(1) by inserting ''(1)'' after ''(i)''; and

(2) by adding at the end the following:

''(2) The Corporation shall resolve each claim arising as a result of insurance, reinsurance, or guaranty operations under this title or under predecessor guaranty authority within 90 days after the claim is filed, except that the Corporation may request specific supplemental information on the claim before the expiration of that 90-day period, and in that case may extend the 90-day period for an additional 60 days after receipt of such information.

''(3) The Corporation shall pay interest at the prime rate on any claim for each day after the end of the applicable time period specified in paragraph (2) for settlement of the claim.''.

MODIFICATION TO AMENDMENT OFFERED BY MR. TERRY

Mr. TERRY. Mr. Chairman, I ask unanimous consent to modify Amendment No. 10.

The CHAIRMAN pro tempore. The Clerk will report the modification to the amendment offered by the gentleman from Nebraska (Mr. TERRY).

The Clerk read as follows:

Modification to Amendment No. 10, offered by Mr. TERRY: in the text of the matter proposed to be inserted, on line 7, strike ''shall'' and insert ''should'', and on line 16, after ''any'', insert ''valid''.

Mr. TERRY (during the reading). Mr. Chairman, I ask unanimous consent that the modification to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modification to the amendment offered by the gentleman from Nebraska (Mr. TERRY)?

There was no objection.

Mr. TERRY. Mr. Chairman, this is an amendment that would apply some reasonable time limits to OPIC's claim settlement procedures. Private parties that have paid substantial premiums to OPIC, in some cases millions of dollars, are finding that they are literally at OPIC's mercy which it comes to the resolution of their claim. They lose real dollars every day OPIC delays settling these claims. Yet, under current law, OPIC does not even have to pay interest on its claims' obligations no matter how long it is delayed.

Moments ago we passed a policy that said that they have to expedite their claims or treat them expeditiously. Now, this is the implementation of that policy. This amendment proposes a 90-day initial period in which they can review the claim. If additional information is required, they can have 60 additional days for a total of 150 days to review the claim to make their decision.

If they are unable to make their decision within that time frame, then at the beginning of the 150 days, in essence, interest starts running if the claim is found to be valid.

I know that the Chairman of OPIC has some concerns with the mechanics of the operation of this amendment. I have talked to Mr. Munoz about those, and I think some of them are valid concerns. It does place a burden on the applicant. The applicant, because of a shortened time frame, has to get their ducks in a row before submitting a claim. One cannot simply write the letter submitting the claim without then having their documentation to back it up. So it does place that burden on the applicant.

But, on the other hand, there is nothing in the system right now that prevents OPIC once that information is submitted to act on it expeditiously. This puts the policy into action with specific time periods and a remedy when they fail to adhere to those time periods.

Mr. Chairman, I urge approval of this amendment.

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

Mr. Chairman, I understand the gentleman's concern, and that is why I went along with his first amendment. But this amendment actually I think creates harm, and I want to call the gentleman's attention to why I have to oppose it and hopefully, we can work something out, but if not, I will have to oppose his amendment at the end of the process.

Imposing a fixed timetable on OPIC creates a series of problems. It disadvantages the small business investor who cannot make his best case early. I understand the gentleman's concern is about a small business, but one cannot at the end of the day create a process that disadvantages them because they cannot make their best case early. It pressures OPIC to deny a claim that might, with both parties' cooperation, be satisfactorily documented in the long run. It frustrates joint efforts at overall settlement of the investor's total claims, both the insured and the uninsured, because settlement efforts with a foreign government takes time, making the fair and flexible OPIC claim process formalistic and confrontational, and lastly, it impairs OPIC's historical claims record of paying over 90 percent of claims and realizing a 94 percent recovery rate as a successor to the investors' valid claims against a foreign government. So even when OPIC comes to the conclusion that it is a valid claim and that it has to be paid, by being the successor in interest to that insured party, it still goes after and tries to pursue and ensure that we are not left holding the bag. And it has a 94 percent success rate in that regard.

This process, by confining OPIC, actually works to the detriment of the small business investor who might be seeking a claim, works to the detriment of OPIC. And then there is a second provision in the gentleman's amendment that actually hurts the taxpayers of the United States, which is that, in fact, in this compacted time period, in situations in which OPIC will be forced to deny the claim in order to be able to best create the circumstances to ensure itself and ultimately the taxpayers, we are going to force it to pay interest, which interest ultimately as a governmental agency would come from the taxpayers.

Now, we have an agency that has not cost the taxpayers money, the previous speaker mentioned something about an OPIC loss, and that they only have interest based upon government bonds. Well, that is from proceeds that they have achieved from the revenues that they generate from the insurance that they offer and for which they are paid for, and that they have invested, so they have not operated as a loss; and we do not want them to operate as a loss. Therefore, we cannot constrain them in such a way.

OPIC's bottom line result on claims payment is excellent and its process is flexible and fair. Rigid timetables would create pressure to deny claims that are not at first convincingly supported where OPIC's practice has been to work with the investor, to make the best case for compensation in the amount claimed. This can take time, but it is fairest to the investor and to the taxpayer.

So, we need to make sure that this process is one that works, as it has, with an excellent percentage of payment of claims, and an excellent percentage of restoring those claims paid by going after the entity with OPIC standing in the interest of the investor. That is what we want to achieve. And yes, we want it to be as fast as possible; but we do not want to hurt the small businessperson in the process that is going to have to make their case early. And we do not want to hurt the taxpayers by imposing upon the agency payments that will ultimately

be costly to both the agency and, therefore, to the taxpayers in a premature manner.

So, Mr. Chairman, I would hope the gentleman would try to work with us in a conference and withdraw his amendment, but in view of the fact that I assume the gentleman wants to proceed, then I will offer an amendment to the gentleman's amendment at the appropriate time.

The CHAIRMAN pro tempore. The Committee will rise informally.

The SPEAKER pro tempore (Mr. YOUNG of Florida) assumed the Chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

EXPORT ENHANCEMENT ACT OF 1999

The Committee resumed its sitting.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New Jersey (Mr. MENENDEZ).

AMENDMENT OFFERED BY MR. MENENDEZ TO THE AMENDMENT NO. 10, AS MODIFIED, OFFERED BY MR. TERRY

Mr. MENENDEZ. Mr. Chairman, I offer an amendment to the amendment, as modified.

The Clerk read as follows:

Amendment offered by Mr. MENENDEZ to Amendment No. 10, as modified, offered by Mr. TERRY: Strike lines 1 through 18 and insert the following:

"SEC. 5. REVIEW OF CLAIMS PROCESSING FOR OPIC.

''The General Accounting Office is requested to provide a report not later than 6 months after the date of the enactment of this Act to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate, which reviews the claims activity of the Overseas Private Investment Corporation. The report shall include—

''(1) an analysis of claims paid, settled and denied by OPIC;

''(2) the number of claims determinations made by OPIC which are challenged in arbitration;

''(3) the number of OPIC's claims denials which are reversed in arbitration;

''(4) the number of claims which are withdrawn; and

''(5) recommendations for ways in which the interests of OPIC insureds and the public could be better served by OPIC's claims procedures.''

Mr. MENENDEZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MENENDEZ. Mr. Chairman, what we hope to do through this amendment is to try to reach the gentleman's concern, but at the same time, create the operational capacity for OPIC to do what it does so well. What we offer here is a review of claims processing for OPIC. Having the General Accounting Office providing a report not later than 6 months after the day of the enactment of this law to both the Committee on International Relations and the Senate Foreign Relations Committee, to review the claims activity of OPIC which includes an analysis of the claims paid, settled, and denied; the number of claims determination made by OPIC which are challenged in arbitration; the number of OPIC's claim denials which are reversed in arbitration; the number of claims which are withdrawn; and recommendations for ways in which the interests of OPIC's insured and the public could be better served by OPIC's claims procedures.

To the extent that OPIC has a great record and it can be improved upon, this gives us the wherewithal to do it without creating the constraint that the gentleman's amendment would.

Mr. Chairman, OPIC's standard contracts presently allow OPIC a reasonable time to make a decision after receipt of a completed application, one that establishes the insured's right to be compensated in the amount claimed.

Now, when we have this political risk insurance, the fact of the matter is it raises complex issues: issues of fact, contract interpretation, foreign law, international law and accounting. They cannot be resolved over the phone as we might do if we had an automobile accident or a homeowner's claim and try to deal with our insurance company. They are extremely complex.

Therefore, the time frame that the gentleman wants, while his goal is worthy, ultimately really hamstrings OPIC in a way that is detrimental to that small businessperson, as well as to the taxpayers, by the enforcement of a mechanism that makes them pay interest by the time that the time frame is exhausted, and that time frame is rather short, 150 days, total. That is a very short time frame.

OPIC's decisions on claims become public. They are relied upon as a way and as a means and as a guide to looking at OPIC contracts and are cited in broader discussions of international investment law. Reaching the right bottom line result is simply not enough. OPIC's rationale has to be properly articulated, because if not, others will seek to pursue those future actions if we do not articulate the right set of reasons, and that can be more costly to us.

So any interactive process takes time. If OPIC has to reach final decisions within a fixed deadline, more claims will be denied and in that process of denial will start a series of circumstances that we are going to hurt the investor, we are going to impinge upon the agency, we are going to start charging interest after that 150 days; and that ultimately is going to create a problem for us in terms of the taxpayers of this country.

I think, while the gentleman's intention is well-meaning, his effort as to how he achieves that is both problematic for the agency, problematic for the entities to be insured, problematic for the taxpayers. So I urge the adoption of my amendment to the Terry amendment.

□ 1530

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

Mr. Chairman, first of all, I want to be clear on what this amendment does. It is, in essence, a substitute amendment to mine. It statutorily incorporates the status quo. It basically says that OPIC has 6 months next to never to resolve claims.

That is no improvement. There are examples where OPIC has drug their feet on claims for a variety of different reasons, but the fact that they have taken substantial time to resolve claims is unrefuted.

The issue then is if they are going to act like a private insurance company, they have to treat claims with good faith. If we review insurance laws of every State, we will see provisions that outline how insurance companies have to act in good faith. One of those provisions in every State is that they have to handle claims expeditiously. If they do not, the remedy is usually pre-judgment interest.

This is what my amendment does, is simply put into the system some accountability. That accountability is if they are going to drag their feet on claims, on valid claims, then after 150 days they should have to pay interest on the amount of that claim.

The world does not operate in a vacuum. If Indonesia takes over a power plant and kicks out the U.S. citizen that built that and threatens to jail them if they return, that is expropriation. OPIC knows when that happens. Now, the applicant has to document those activities, and will take the time to properly put their case together before they submit that.

It is reasonable, then, because OPIC, if they are diligent at all, should already know what is going on, for them to be able to review that within a certain short period of time. If additional information is necessary, as is outlined in mine, and that request is reasonable, then they should be afforded an extra 60 days, for a total of 150 days.

My amendment is reasonable. The substitute amendment offered by the gentleman from New Jersey (Mr. MENENDEZ) guts mine entirely, and basically, as I said, incorporates the status quo.

A couple of points raised; one, that OPIC resolves 94 percent of the claims. I am sure under the current leadership that that will not change. What may change, though, is another category of the timeliness of those resolutions.

That is what we are requesting, is simply that OPIC have a set time frame to resolve those claims. I am sure they will act expeditiously under the current leadership.

The fact that they want to go after, for example, Indonesia for reimbursement, they should not hold up a claim until they get some commitments for reimbursement. In the private sector, that is bad faith. Surely they should have the right.

This amendment in no way quashes or harms or prevents their opportunity to go after a country that has expropriated an asset at all. All this simply does is say, for the victim of that expropriation, that they have to handle that claim in a timely manner.

Mr. Chairman, I urge the defeat of the substitute amendment, and again request passage of my amendment.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, so far today we have not had any evidence on the floor of this Chamber that the people associated with OPIC are operating in bad faith. I have not heard that. My experience and the record before me, at least to this point, indicates that people are trying to do their best under difficult circumstances.

What our colleague, the gentleman from New Jersey, pointed out is that when we are operating in an area that is chaotic, in an area where we have multiple interests that we are trying to advance as a government, where the parties involved have entered into a contractual obligation under which they get the risk insurance, that we have a framework that is established.

This is a decision that is going to guide what the agency does in this case and in others that may be in fact similar. They are relied upon in areas of international law and in terms of people entering into other agreements with us to promote the objectives of this program.

The people who manage OPIC have every reason to do so in an expeditious and thoughtful manner. They are in the business of promoting the interests of American business in risky environments. That is why they are there. They have done a stellar job since 1971 of doing that.

They are caught in a situation in many cases where they are trying to find out what the true facts are and then lay the groundwork; not just to put the money back into the hands of maybe the person who has the risk insurance or the corporation, but then they also have to lay the foundation to get the money back.

The recovery rate, as the gentleman from New Jersey pointed out, is in excess of 90 percent. Ninety-three percent I believe is the number he recited. That is because a thoughtful and careful job is done. Many times it is an interactive process. Where we have some of the smaller businesses that are involved, maybe they do not have as much activity overseas, they do not have as much presence, it takes time for them to assemble their material, and this goes back and forth between OPIC and the insured.

Think for a moment what is going to happen if in fact we are going to change the contracts and the operation, where all of a sudden we are going to have an arbitrary time limit that kicks in and interest is going to be paid.

Two things are going to happen. One, I agree with the gentleman from New Jersey, the inclination, because they have to run as a business, they have to be accountable, the inclination is going to be to reject and deny more claims. That is common sense in terms of how the business operates.

To the extent that that does not occur and we end up paying out a lot of money, that means there are going to be fewer loans that are going to be granted, or it is going to be that maybe for the first time it will actually require that we are invading some of these reserves and it is not going to be surplusing money.

I would strongly suggest that the amendment that has been offered by the gentleman from Nebraska (Mr. TERRY) is undermining the notion of this being an entrepreneurial insurance-oriented approach that gives maximum flexibility to the agency to try and balance the interests to the taxpayer and to the client, according to the contracts that they enter into.

I suggest that it is inappropriate for us to engage in micromanagement on this floor with arbitrary time limits that are going to get in the way of laying the foundation. Ultimately, we want to be successful. We want the Indonesian government to cough up money to cover this, and to be able to keep the taxpayer whole and get money back to an aggrieved party.

I strongly urge that we adopt the amendment of the gentleman from New Jersey (Mr. MENENDEZ) and reject the underlying amendment.

Mr. MENENDEZ. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from New Jersey.

Mr. MENENDEZ. Mr. Chairman, the point that the gentleman made is an important one. When we deny claims, when OPIC is forced by this new set of circumstances to deny claims, what happens to the claimant, the American company that the gentleman is concerned about? Now their only course is to litigate, which is more costly, more time-consuming, than to work with OPIC in trying to reach a conclusion.

The bottom line, Mr. Chairman, is that, number one, the denial of claims because of the time constraints causes a set of circumstances that is even worse for the claimant, and the claimant happens to be an American entity.

The CHAIRMAN pro tempore (Mr. EWING). The time of the gentleman from Oregon (Mr. BLUMENAUER) has expired.

(By unanimous consent, Mr. BLUMENAUER was allowed to proceed for 2 additional minutes.)

Mr. MENENDEZ. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from New Jersey.

Mr. MENENDEZ. Mr. Chairman, secondly, if the gentleman's amendment would give flexibility to the company to engage with OPIC and extend the time frame that the gentleman suggested, then it might be more reasonable, because OPIC would not be forced to make a determination, the company would not be forced to pursue its interests in a limited time frame in which it might not make its best case, and everybody would be better served.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Nebraska.

Mr. TERRY. To answer the gentleman's question, Mr. Chairman, on specifically what happens next, the issue is yes, then they can go to arbitration.

There are specific examples in existence where OPIC has not resolved the claim in a timely manner. It has drug on for months. If OPIC would have either accepted or denied their claim, let us say in a denial, probably in the time frame that OPIC has sat on the claim they could have had a determination from the arbitration board in the international arena.

In fact, in the incident in Indonesia when they expropriated the power company, there was already an arbitration of whether or not they had seized those assets. In an international arbitration court of three, it was a three-zero decision that the country had acted in a way to expropriate.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is extremely significant that the gentleman from Alabama (Mr. CALLAHAN) supports the original Terry amendment, as modified, or not as modified by the amendment of the gentleman from New Jersey (Mr. MENENDEZ), but the language of the Terry amendment with the change of the two words that appear at the desk.

I think that is extremely significant, because the gentleman from Alabama has been a supporter of OPIC for years. He is very conservative, he is very cautious. He watches the taxpayers' dollars. For him to come out in favor of this amendment to me is quite compelling.

But I would like to contrast the Menendez amendment. Really, that should be supplemental to that of the gentleman from Nebraska (Mr. TERRY). He simply says, let us have a time frame. Granted, the language is not the most artful. It could obviously be cleaned up in conference. But it simply says we should reach a point with all the litigation and all the arbitration that goes on that after a certain point, the person who gets paid his judgment or award is entitled to interest from a certain date on.

There is nothing like prejudgment interest that moves the litigants to get through. It is a tremendous incentive,

especially when we are talking about what could be tens of millions of dollars that are at stake. And why not so? If a person's factory is expropriated, that person loses everything. They lose the investment, and many times they still have to pay the bank interest on the investment that he or she made overseas. So the American manufacturer is still paying the bank interest.

What does this say? This says the purpose of this insurance is to make the American manufacturer whole. That is the purpose of insurance. That is what the Terry amendment does.

The gentleman from New Jersey (Mr. MENENDEZ) has a great amendment, if it were on its own. It calls for a study. Around this place, if we do not know what to do, we call for a study. This calls for a study which says within 6 months we want an analysis of all the outstanding claims and all things going on with reference thereto, et cetera, et cetera.

I would suggest that my good friend, the gentleman from New Jersey (Mr. MENENDEZ) really withdraw his amendment, perfecting amendment to that the amendment of the gentleman from Nebraska (Mr. TERRY), and reintroduce it as a stand-alone, and I would be the first one to jump up and say, this is really exciting.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Nebraska.

Mr. TERRY. Mr. Chairman, I thank the gentleman from Illinois for yielding.

Frankly, the gentleman raised some of the points I wanted to when the gentleman yielded, and I had an opportunity to tell what the process was and how. When OPIC does not act in a timely manner, they also shut the door to those other remedies that are available. When they sit on a claim, and they have, and I am sorry that we do not get the opportunity, like in a court of law, to call witnesses to produce evidence, but if we can get some hearings on the way OPIC has acted on a certain amount of claims, especially the Indonesian claims, we will see that, for whatever reason, and I am not saying that they are bad faith reasons, but without question, they have admitted that they have had all the facts of what happened in Indonesia for months, and in a meeting last week, when they said that they would have a decision months ago, and when asked why they have not, they said, yes, we have all of the facts, but the lawyers have not made their decisions yet.

Well, when I was in the private practice of law, that would be frequently the answer of the insurance companies that were ultimately responsible: We know all of the facts, we have done the investigation, we just have not made our decision yet. This simply says, you have all the facts. Make your decision. Quit using excuses to delay it.

If that is an admirable policy, then what we need to do is to put some teeth into it. I think just a simple private sector remedy of prejudgment interest is probably the easiest solution. The gentleman from Illinois (Mr. MANZULLO) is exactly right, it is a simple solution that incentivizes both parties to move in a timely manner. That is the whole purpose of this amendment.

□ 1545

The CHAIRMAN pro tempore (Mr. EWING). The question is on the amendment offered by the gentlemen from New Jersey (Mr. MENENDEZ) to the amendment, as modified, offered by the gentleman from Nebraska (Mr. TERRY).

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

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

The CHAIRMAN pro tempore. Pursuant to House Resolution 327, further proceedings on the amendment offered by the gentleman from New Jersey (Mr. MENENDEZ) to the amendment, as modified, offered by the gentleman from Nebraska (Mr. TERRY) will be postponed.

AMENDMENT NO. 11 OFFERED BY MR. TERRY

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. TERRY:

Page 6, add the following after line 25, and redesignate succeeding sections, and references thereto, accordingly:

SEC 5. RESTRICTION ON CONTACTS RELATING TO OPIC CLAIMS SETTLEMENTS.

(a) PUBLICATION OF FEDERAL AGENCY INTERVENTIONS.—Section 237(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(i)) is amended—

(1) by inserting ''(1) after ''(i); and

(2) by adding at the end the following:

''(2) No other department or agency of the United States, or officer or employee thereof, may intervene in any pending settlement determination on any claim arising as a result of insurance, reinsurance, or guaranty operations under this title or under predecessor guaranty authority unless such intervention is published in the Federal Register.

''(3) The Corporation shall report to the Congress on any intervention, by any other department or agency of the United States, or officer or employee thereof, regarding the timing or settlement of any claim arising as a result of insurance, reinsurance, or guaranty operations under this title or under predecessor guaranty authority. The report shall be submitted within 30 days after the intervention is made.''.

Mr. TERRY. Mr. Chairman, this amendment addresses a serious concern that I have regarding OPIC. We have alluded to some of it here in our discussions on the last amendment. It is that basic business decisions at OPIC have, I fear, become politicized. When an American business comes to its government and purchases a political risk insurance policy, it is doing so because in certain countries it cannot rely on a transparent political process or the sanctity of those contracts.

Based on the comments that I have heard directly from OPIC officials, I have reason to believe that officials from cabinet agencies are intervening in the business operations of OPIC because of other foreign policy goals. That is, it is turning the purpose of OPIC on its head. The fact that American companies have suffered as a result of capriciousness abroad is bad enough; but when they turn to their own government for help contractually, they should not expect even more political capriciousness.

My amendment seeks to get to the bottom by requiring any intervention by a Federal agency on a pending claim at OPIC to be disclosed. It is as simple as that: disclose it. Let us recognize that OPIC is a governmental agency. Its head is appointed by the President, confirmed by the Senate. So it does have to have relations with the State Department and the Treasury. So if there are foreign policy considerations that are holding up a claim or influencing the resolution of a claim, which I think is wrong, considering the insurance contract should be different than that, but at least recognizing the government relationship, the least that they should do is disclose that intervention.

Now, by intervention I mean simply take the common everyday usage of that word. I mean any formal or informal communication by an official of another agency at OPIC that seeks to affect or could reasonably be expected to have an impact on OPIC's decision on the merits of the case.

There is concern about whether a simple call of inquiry, a Treasury head calling up and saying, George, how are the claims in Indonesia coming, that is a simple inquiry. That is not intervention. If they say we have some real foreign policy issues there, we cannot upset the government of Indonesia right now, so how are those claims coming, I think the true intent might have been to intervene in the process.

I expect an amendment that will change the definition of ''intervention,'' and we will have a continuing debate on that, but I think we owe it to those who are purchasing these contracts that if their claim is being influenced that they at least know it. I urge support for this amendment.

AMENDMENT OFFERED BY MR. MENENDEZ TO AMENDMENT NO. 11 OFFERED BY MR. TERRY

Mr. MENENDEZ. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MENENDEZ to Amendment No. 11 offered by Mr. TERRY:

Page 1, line 9, insert the following after ''intervene''; ''with the intent to impede or delay''.

Page 1, line 16, insert the following after ''intervention,'': ''with the intent to impede to delay a settlement determination''.

Mr. MENENDEZ. Mr. Chairman, I understand the gentleman's concern about the possible intervention of other Federal agencies on pending settlement determinations and clearly claims should be considered on their

own merits, without necessary delays, unrelated to the actual claims process, but I am offering this amendment to clarify the gentleman's language. My amendment would change the language in paragraph 2 to read that no other department or agency of the United States or any officer thereof or any employee thereof may intervene with the intent to impede or delay in any pending settlement determination, and it makes the same change in paragraph 3. Now, what is the reason for the clarification?

The proposed amendment by our colleague would prevent OPIC's board members from carrying out their statutory functions. OPIC is governed by a board of directors that, in fact, seven of whom are officers of department or agencies of the United States Government. These are the board of directors. Seven of them are, in fact, officers of departments or agencies of the United States Government.

This amendment would prevent the board from exercising its responsibilities by, quote, ''interfering with the ability of its private sector members to participate in discussions regarding claim settlements.'' So they, in essence, would not be able to engage.

Secondly, the proposed amendment would hurt OPIC's ability to protect the taxpayer by interfering with OPIC's ability to coordinate its claims salvage efforts with other parts of the United States Government. Now, what does that mean? We had a debate earlier, when OPIC has a claim and it is willing to pay the claim, it stands in the shoes of the company that it paid the claim on behalf of to try to get the money from some overseas entity or government. If we cannot coordinate with the agencies of the Federal Government to put OPIC in the best possible sort of circumstances, to protect itself as the claimant and to protect the taxpayers thereof, we are hurting OPIC; we are hurting the taxpayers. That does not make sense.

OPIC's history of successful salvage is due, in part, to its strong coordination with our embassies abroad; and those salvage efforts not only protect the U.S. taxpayer by resulting in a recovery of close to 95 percent of amounts paid or settled on claims over OPIC's history but it also benefits the insured investor whose uninsured interests, uninsured interests, those not covered by OPIC, are also attempted to be covered by OPIC in the salvage effort.

The broad prohibition on intervention that the gentleman would offer in his amendment would inhibit OPIC's ability to obtain relevant information from U.S. embassies in that country and other United States Government sources of information, and it is that very information that is at the core of successfully accomplishing a recovery of the claim.

The threat of violation of this provision would have a serious impact on the willingness of United States Government information sources to provide relevant information to OPIC with respect to claims. Cutting off OPIC's ability to obtain this kind of information would do a disservice, both to the taxpayers and OPIC's insureds, by restricting OPIC's fact-finding efforts to non-U.S. Government sources of information, when we have all of those U.S. government sources of information that can help us achieve a 100 percent claim and cost nothing to the taxpayers.

So my amendment tries to accomplish what the gentleman wants by saying if there is an intent to impede or delay, then that cannot be done and those employees and agencies and officers cannot do that; but otherwise we create a huge opening in which no governmental agency, no embassy abroad, and even the directors of the board of trustees of OPIC who we want to be questioning the director about their payments and their liabilities will not be able to do so in this regard.

We would want no corporation in America, we would want no public entity in the country, to be told that we do not want the people overseeing that entity to have the ability to question on the very liabilities they might have as an agency and on behalf of the taxpayers of the country. So I urge adoption of my amendment to the Terry amendment. I think it accomplishes the gentlemen's goal and at the time preserves the sanctity of OPIC's ability to protect itself, the taxpayers, and the claimant.

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

Mr. Chairman, I rise in support of the original Terry amendment and in opposition to the Menendez amendment. I think Mr. MENENDEZ is talking about two different things. The Terry amendment does not prevent anybody or any organization, or any department, from getting involved in the adjudication of this claim. What it simply says is that there should be an open record. This is an open meetings act for the process of adjudication by OPIC. That is all it says.

The plain language says, ''No other department or agency of the United States, or officer or employee thereof, may intervene in any pending settlement,'' et cetera, ''unless such intervention is published in the Federal Register.'' That is all the gentleman from Nebraska (Mr. TERRY) is asking for. He wants to know what, if any, other departments, are trying to influence, I do not use that word in a meanspirited way but are trying to have a role in making a determination, that simply should be a matter of the public record. That is all he is asking.

The amendment of the gentleman from New Jersey (Mr. MENENDEZ) on the other hand says that by adding the words ''with the intent to impede or delay,'' if his language is added to the Terry amendment that turns the Terry amendment into something entirely different. That is not the purpose of the Terry amendment.

The gentleman from Nebraska (Mr. TERRY) simply says this: we have a claim that is before OPIC. The public has a right to know which government agencies are claiming an interest in it, and the people have a right to know what those government agencies are saying.

So I would ask that the Menendez amendment be defeated, that the original Terry amendment be adopted.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, can the gentleman envision circumstances where there would be valid information available to the CIA or the State Department that could help in accurately settling the claim, that we would not want published in the Federal record for everybody to see? Can the gentleman envision any circumstances where that would happen?

Mr. MANZULLO. I would say in answer to that that the CIA has its own statute that would protect the distribution of that material. That could happen in appropriation cases. There is no question about that.

Mr. BLUMENAUER. Or the State Department or Treasury?

Mr. MANZULLO. Sure. Obviously overriding the openness of this material would be any national security interests. Those statutes already exist on the books.

Mr. BLUMENAUER. If there are, in fact, national interests that would prevent it being in the public benefit to have this widely disseminated, would OPIC be able to use such information under the operation of this amendment? If so, who would determine what goes in the Federal record and what does not?

Mr. MANZULLO. Who would determine the language of the gentleman from New Jersey (Mr. MENENDEZ) that says with the intent to impede or delay? I mean, that is a subjective process.

Mr. BLUMENAUER. I can understand where the intent we both agree is not to impede or delay.

Mr. MANZULLO. That is correct.

Mr. BLUMENAUER. The intent is to protect American interests, sources of information.

Mr. MANZULLO. Well, sure.

Mr. BLUMENAUER. That would not fall under the scope of the Menendez amendment.

Mr. MANZULLO. I would submit that there are existing statutes on the books today that would give enough protection to the State Department, to the CIA, or any other security agency, for making open documents that are already classified.

Mr. MENENDEZ. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from New Jersey.

Mr. MENENDEZ. I appreciate my friend's comments, but the fact of the matter is that what we would have,

there are maybe some agencies covered by other statutory provisions in the intelligence community that might offer OPIC information which might be able not to appear in the register, but there are a series of agencies which we might not consider quote/unquote ''intelligence information,'' but which information would be harmful to the interests of the United States that are not covered by any such provision and that would have to be issued in the Register. If not, it would be a violation of law if this amendment were passed. So I think that there is a serious concern between that and what the gentleman seeks to do.

He wants to know if there is some undue influence in the determination of a payment of a claim, and I think that that is fitting and proper; but we have to limit that to make sure that it is undue influence and not just open the whole book for the whole world to see what we are doing out there to try to determine how we process our way to achieving a claim.

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Mr. TERRY. Mr. Chairman, will the gentleman yield for a response?

Mr. MANZULLO. Yes, I yield to the gentleman from Nebraska.

Mr. TERRY. Mr. Chairman, first of all, what needs to be recorded is that one of our government agencies has requested OPIC to make a decision based on politics. The details of that are not necessarily needed to be disclosed in the record.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MANZULLO) has expired.

(By unanimous consent, Mr. MANZULLO was allowed to proceed for 1 additional minute.)

Mr. MANZULLO. Mr. Chairman, I yield to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Chairman, let me ask the same level of rhetorical question back. Does it not provide more confidence in the insurance contract if the purchaser of that contract has some assurances that, if decisions are not going to be made on the merits of the claim but on politics, that they at least be told?

Mr. MENENDEZ. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from New Jersey.

Mr. MENENDEZ. Mr. Chairman, first of all, I am reading the gentleman's amendment. It says nothing about politics here. It simply says no department or agency of the United States or any of its officers may intervene in any pending settlement determination.

Mr. MANZULLO. Mr. Chairman, reclaiming my time, unless such intervention is published in the Federal Register.

Mr. MENENDEZ. Mr. Chairman, if the gentleman will yield, that goes back to our original discussion, that the very intervention that is going to be published in the Federal Register already unlocks the door to a whole series of things that we may not want, foreign nationals and foreign countries.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Nebraska.

Mr. TERRY. Mr. Chairman, the issue is that OPIC should be making those decisions on the outcome of claims, not other agencies.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a little troubled by the turn that the conversation has taken. I will be the first to admit that I think we put the cloak of secrecy too broadly over issues in this country.

I think it is outrageous that the American public does not yet know what we did in Central America 20 or 25 years after the fact, destabilizing democratically elected governments.

I think it is outrageous some of the things that happened in Chile, in Central America, in Asia. I think that we far too broadly keep information from the American public, things that are not designed to keep information from our enemies, or past enemies. They already know what was in those files. It is to prevent, I am afraid, sometimes, embarrassment for some people here. I think, as a general rule, we ought to open up more, and I so voted.

But what this talks about is not sort of a sunshine. I just reject this concept that somehow we are turning the interests of America on its head by having the full range of information available to make these determinations.

I think representing the full range of American interests in the decisions that OPIC makes is not turning American interests on their head. They should not necessarily be disconnected from the best sources of information that we have.

The gentleman from New Jersey (Mr. MENENDEZ) is suggesting that, if something is offered up for the purpose of merely impeding settlement, that that should be prohibited or should be made more difficult.

But this amendment that the gentleman from Nebraska (Mr. TERRY) has offered does not distinguish between things that are somehow impeded, and operation of the information that comes from Treasury, that comes from State, not just the CIA, that from whatever source we have this information available, there would, because there are seven independent agency heads who function as trustees or directors of OPIC, it would very much confuse the deliberations.

If the information that they provided had the effect perhaps of delaying the processing of the claim as rapidly as maybe somebody would request, it may raise the obligation to put information in the record that, frankly, we do not want to have put in the Federal Registry. It would not be in America's best interest.

But why, if that be the case, would the gentleman from Nebraska (Mr. TERRY) penalize either the taxpayer or the balance of OPIC in terms of the bottom line, in terms of having to pay more money. That seems to me to make no sense.

I think we are confusing here politics, to use the word from the gentleman from Nebraska, with having national interests and the best information available to treat the policy holder and the American taxpayer in the best interests.

I fear that if this amendment were adopted, not the Menendez perfecting amendment, but the amendment of the gentleman from Nebraska (Mr. TERRY), operation at OPIC would go on. The people in the bureaucracy would continue to function.

But it would raise questions for the board. It would make them harder to get the good information. They will not be able to do their job as well. That is only going to hurt the taxpayer, if it ends up costing taxpayer money in the long run, where OPIC does not surplus as much money. But because they operate in an entrepreneurial fashion, what it is going to mean is that it is going to mean that there is going to be less money available to loan. It is going to make it more cumbersome. It is going to make the processing of claims based on less accurate information.

Ultimately, it may well mean that fewer people are insured. I do not think that that is necessarily in our best interest. We do not need this to solve a problem that somebody in Nebraska has.

I understand that we are moving forward with that claim, and something is happening. But we do not need to put a cumbersome process, freeze it into statute that is going to give less effective information and make the job of the director and OPIC harder.

I strongly urge the rejection of the Terry amendment and the adoption of what the gentleman from New Jersey (Mr. Menendez) has offered by way of a substitute.

The CHAIRMAN pro tempore (Mr. EWING). The question is on the amendment offered by the gentleman from New Jersey (Mr. MENENDEZ) to amendment No. 11 offered by the gentleman from Nebraska (Mr. TERRY).

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

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

The CHAIRMAN. Pursuant to House Resolution 327, further proceedings on the amendment offered by the gentleman from New Jersey (Mr. MENENDEZ) to the amendment No. 11 offered by the gentleman from Nebraska (Mr. TERRY) will be postponed.

The CHAIRMAN pro tempore. Are there further amendments to section 4?

If not, the Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. TRADE AND DEVELOPMENT AGENCY.

(a) PURPOSE.—Section 661(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(a)) is

amended by inserting before the period at the end of the second sentence the following: '', with special emphasis on economic sectors with significant United States export potential, such as energy, transportation, telecommunications, and environment''.

(b) CONTRIBUTIONS OF COSTS.—Section 661(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(b)) is amended by adding at the end the following:

''(5) CONTRIBUTIONS TO COSTS.—The Trade and Development Agency shall, to the maximum extent practicable, require corporations and other entities to—

''(A) share the costs of feasibility studies and other project planning services funded under this section; and

''(B) reimburse the Trade and Development Agency those funds provided under this section, if the corporation or entity concerned succeeds in project implementation.''.

(c) FUNDING.—Section 661(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(f)) is amended—

(1) in paragraph (1)(A) by striking ''$77,000,000'' and all that follows through ''1996'' and inserting ''$48,000,000 for fiscal year 2000 and such sums as may be necessary for each fiscal year thereafter''; and

(2) in paragraph (2)(A), by striking ''in fiscal years'' and all that follows through ''provides'' and inserting ''in carrying out its program, provide, as appropriate, funds''.

The CHAIRMAN pro tempore. Are there amendments to section 5?

If not, the Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. PROGRAMS OF THE INTERNATIONAL TRADE ADMINISTRATION.

(a) FUNDING.—There are authorized to be appropriated to the ITA—

(1) for fiscal year 2000, $24,000,000 for its Market Access and Compliance program, $68,000,000 for its Trade Development program, and $202,000,000 for the Commercial Service program; and

(2) for each fiscal year thereafter, such sums as may be necessary for the programs referred to in paragraph (1).

(b) APPOINTMENTS.—Subject to the availability of appropriations, the Secretary of Commerce, acting through the Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, shall take steps to ensure that Commercial Service employees are stationed in no fewer than 10 sub-Saharan African countries and 1 full-time Commercial Service employee is stationed in the Baltic states, and that the Commercial Service has full-time employees in each country in South and Central America and an adequate number of employees in the Caribbean to ensure that United States businesses are made aware of existing market opportunities for goods and services.

(c) INITIATIVE FOR SUB-SAHARAN AFRICA AND LATIN AMERICA.—The Secretary of Commerce, acting through the Under Secretary of Commerce for the International Trade Administration, shall make a special effort to—

(1) identify those goods and services of United States companies which are not being exported to Latin America and sub-Saharan Africa but which are being exported to countries in those regions by competitor nations;

(2) identify trade barriers and noncompetitive actions, including violations of intellectual property rights, that are preventing or hindering the operation of United States companies in sub-Saharan Africa and Latin America;

(3) publish on an annual basis the information obtained under paragraphs (1) and (2);

(4) bring such information to the attention of authorities in sub-Saharan Africa and Latin America with the goal of securing greater market access for United States exporters of goods and services; and

(5) report to the Speaker of the House of Representatives and the President of the Senate the results of the efforts to increase the sales of United States goods and services in sub-Saharan Africa and Latin America.

(d) REPORTING ON VIOLATIONS OF TRADE AGREEMENTS.—The ITA should—

(1) identify countries and entities, as practicable, that violate commitments under trade agreements with the United States and the impact of these violations on specific sectors of the United States economy;

(2) identify steps taken by the ITA on behalf of United States companies affected by these violations; and

(3) publicize, on an annual basis, the information gathered under paragraphs (1) and (2).

(e) GLOBAL DIVERSITY AND URBAN EXPORT INITIATIVE FOR THE ITA.—The ITA shall undertake an initiative entitled the ''Global Diversity and Urban Export Initiative'' to increase exports from minority-owned businesses, focusing on businesses in underserved areas, including inner-city urban areas and urban enterprise zones. The initiative should use electronic commerce technology and products as another means of helping urban-based and minority-owned businesses export overseas.

(f) STANDARDS ATTACHES.—Subject to the availability of appropriations, the International Trade Administration shall take the necessary steps to increase the number of standards attaches in the European Union and in developing countries.

(g) EXPANSION OF PROGRAMS TO ASSIST SMALL BUSINESSES.—The International Trade Administration shall expand its efforts to assist small businesses in exporting their products and services abroad by using electronic commerce technology and other electronic means—

(1) to communicate with significantly larger numbers of small businesses about the assistance offered by the ITA to small businesses in exporting their products and services abroad; and

(2) to provide such assistance.

(h) AUTHORIZATION FOR ADVERTISING.—The ITA is authorized to advertise in newspapers, business journals, and other relevant publications and related media to inform businesses about the services offered by the ITA.

AMENDMENT NO. 12 OFFERED BY MR. TRAFICANT

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. TRAFICANT:

Page 10, strike line 13 and all that follows through line 24 and insert the following:

(d) REPORTS ON MARKET ACCESS.—

(1) ANNUAL REPORTS.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the ITA should submit to the Congress, and make available to the public, a report with respect to those countries selected by the ITA in which goods or services produced or originating in the United States, that would otherwise be competitive in those countries, do not have market access. Each report should contain the following with respect to each such country:

(A) ASSESSMENT OF POTENTIAL MARKET ACCESS.—An assessment of the opportunities that would, but for the lack of market access, be available in the market in that country, for goods and services produced or originating in the United States in those sectors selected by the ITA. In making such assessment, the ITA should consider the competitive position of such goods and services in similarly developed markets in other countries. Such assessment should specify the time periods within which such market access opportunities should reasonably be expected to be obtained.

(B) CRITERIA FOR MEASURING MARKET ACCESS.—Objective criteria for measuring the extent to which those market access opportunities described in subparagraph (A) have been obtained. The development of such objective criteria may include the use of interim objective criteria to measure results on a periodic basis, as appropriate.

(C) COMPLIANCE WITH TRADE AGREEMENTS.—An assessment of whether, and to what extent, the country concerned has materially complied with existing trade agreements between the United States and that country. Such assessment should include specific information on the extent to which United States suppliers have achieved additional access to the market in the country concerned and the extent to which that country has complied with other commitments under such agreements and understandings.

(D) ACTIONS TAKEN BY ITA.—An identification of steps taken by the ITA on behalf of United States companies affected by the lack of market access in that country.

(2) SELECTION OF COUNTRIES AND SECTORS.—

(A) IN GENERAL.—In selecting countries and sectors that are to be the subject of a report under paragraph (1), the ITA should give priority to—

(i) any country with which the United States has a trade deficit if access to the markets in that country is likely to have significant potential to increase exports of United States goods and services; and

(ii) any country, and sectors therein, in which access to the markets will result in significant employment benefits for producers of United States goods and services.

The ITA should also give priority to sectors which represent critical technologies, including those identified by the National Critical Technologies Panel under section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683).

(B) FIRST REPORT.—The first report submitted under paragraph (1) should include those countries with which the United States has a substantial portion of its trade deficit.

(C) TRADE SURPLUS COUNTRIES.—The ITA may include in reports after the first report such countries as the ITA considers appropriate with which the United States has a trade surplus but which are otherwise described in paragraph (1) and subparagraph (A) of this paragraph.

MODIFICATION TO AMENDMENT NO. 12 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I ask unanimous consent that the amendment be modified with the language at the desk.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Amendment No. 12, as modified, offered by Mr. TRAFICANT:

Page 10, strike line 13 and all that follows through line 24 and insert the following:

(d) REPORTS ON MARKET ACCESS.—

(1) ANNUAL REPORTS.—Not later than March 30 days after the date of the enactment of this Act, and annually thereafter, the TPCC should submit to the Congress, and make available to the public, a report with respect to those countries selected by the TPCC in which goods or services produced or

originating in the United States, that would otherwise be competitive in those countries, do not have market access. Each report should contain the following with respect to each such country:

(A) ASSESSMENT OF POTENTIAL MARKET ACCESS.—An assessment of the opportunities that would, but for the lack of market access, be available in the market in that country, for goods and services produced or originating in the United States in those sectors selected by the TPCC. In making such assessment, the TPCC should consider the competitive position of such goods and services in similarly developed markets in other countries. Such assessment should specify the time periods within which such market access opportunities should reasonably be expected to be obtained.

(B) CRITERIA FOR MEASURING MARKET ACCESS.—Objective criteria for measuring the extent to which those market access opportunities described in subparagraph (A) have been obtained. The development of such objective criteria may include the use of interim objective criteria to measure results on a periodic basis, as appropriate.

(C) COMPLIANCE WITH TRADE AGREEMENTS.—An assessment of whether, and to what extent, the country concerned has materially complied with existing trade agreements between the United States and that country. Such assessment should include specific information on the extent to which United States suppliers have achieved additional access to the market in the country concerned and the extent to which that country has complied with other commitments under such agreements and understandings.

(D) ACTIONS TAKEN BY ITA.—An identification of steps taken by the USTR and ITA on behalf of United States companies affected by the lack of market access in that country.

(2) SELECTION OF COUNTRIES AND SECTORS.—

(A) IN GENERAL.—In selecting countries and sectors that are to be the subject of a report under paragraph (1), the USTR and ITA should give priority to—

(i) any country with which the United States has a trade deficit if access to the markets in that country is likely to have significant potential to increase exports of United States goods and services; and

(ii) any country, and sectors therein, in which access to the markets will result in significant employment benefits for producers of United States goods and services.

The USTR and ITA should also give priority to sectors which represent critical technologies, including those identified by the National Critical Technologies Panel under section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683).

(B) FIRST REPORT.—The first report submitted under paragraph (1) should include those countries with which the United States has a substantial portion of its trade deficit.

(C) TRADE SURPLUS COUNTRIES.—The TPCC may include in reports after the first report such countries as the USTR and ITA considers appropriate with which the United States has a trade surplus but which are otherwise described in paragraph (1) and subparagraph (A) of this paragraph.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from Ohio?

Mr. MANZULLO. Mr. Chairman, reserving the right to object, just a formality, I do not have a copy of that document. I can take a quick look at it, and then I make reference to it.

Mr. Chairman, under my reservation of objection, I yield to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, the only change is that in the first part ''Reports on Market Access,'' I change the report requirement from the International Trade Administration to the Trade Promotion Coordination Committee to make it more compatible with other duties in similar areas that are making such reports.

It follows through as far as the report is concerned in that regard, and that is the only modification that is made. The only other modification is, in the beginning, ''not later than March 30,'' rather than 90 days.

Mr. MANZULLO. Mr. Chairman, I have a response. I agree to the amendment. The problem is that there is an error in the manner in which the amendment is being inserted into the base bill.

The CHAIRMAN pro tempore. The gentleman from Illinois reserves the right to object to the modification of the amendment, not the underlying amendment. The underlying amendment is not under debate.

Mr. MANZULLO. Mr. Chairman, I withdraw my reservation of objection based upon the fact that this is a technical error, and I would agree to accept the amendment of the gentleman from Ohio (Mr. TRAFICANT).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. The amendment is modified.

The gentleman from Ohio (Mr. TRAFICANT) is recognized for 5 minutes on the amendment, as modified.

Mr. TRAFICANT. Mr. Chairman, the salient point of the difference between the committee's bill and the Traficant amendment deals with the issue of market access. The Traficant amendment says, in addition to all of the reporting on whether or not a Nation is complying with our trade agreements, the Traficant amendment also says the report must cover the availability of market access and whether or not market access is being made available by these countries pursuant to the report process.

Second of all, it is to delineate what are those products and/or other areas of market availability that are being denied to us and what is their impact on jobs.

Bottom line is this, not only are we being denied access, this says tell us who is denying us that access. Do not just say they are denying this access, tell us what that access denial really is, what products are impacted upon by this, and how can we, in fact, make gains through our export activity once we can overcome that market access problem.

So that is the salient point, the difference between the major aspects of the bill itself and my perfecting amendment. I would hope that the committee would find favor with it and vote in favor with it.

Mr. MANZULLO. Mr. Chairman, I support the amendment.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment, as modified, was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. MANZULLO

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. MANZULLO:

Page 11, lines 4 and 5, strike ''minority-owned businesses, focusing on'' and insert ''businesses that, because of their minority ownership, may have been excluded from export trade, and from''.

Page 11, lines 8 and 9, strike ''urban-based and minority-owned'' and insert ''such''.

Mr. MANZULLO. Mr. Chairman, this is a technical and perfecting amendment to the urban export initiative section for the International Trade Administration designed to take into account the concerns of the members of our committee that there be no automatic presumption of support for all minority-owned businesses under this initiative.

It simply directs the ITA, pursuant to this initiative, to increase exports from those minority-owned businesses who may have been excluded from exporting. It is my understanding that it has full support of the minority.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois (Mr. MANZULLO).

The amendment was agreed to.

Are there further amendments to this section?

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

Mr. Chairman, I had intended today to be on the floor in support of the amendments by the gentleman from Nebraska (Mr. TERRY).

□ 1615

And the reason being because of a situation we have with OPIC and one of its customers who has over the past several years paid premiums of over $20 million who has a rightful claim and is having a very difficult time collecting.

As any business would know, when they buy insurance, they expect to have their claims paid on a timely basis when the facts are laid out. And that simply is not the case.

The timeliness of the situation and the second Terry amendment having to

do with concerns that have become I think very real, other departments interfering in the situation and for outside political reasons it is being held up as far as the payment of the claim itself, there is no question of the validity. But it is a matter of the technicalities going through the delays in place.

As someone who has in the last 5 years always supported OPIC, it is a very great concern to me to see this happening to what I think is a very important agency, one that provides an outstanding financial potential. But when we have agencies coming into play introducing outside political consequences to the equation and not looking at the claim and its validity itself, it raises great grave concerns as far as I am concerned.

I just wanted to make that statement. I would support both of the Terry amendments and would oppose the gutting amendments offered by the gentleman from New Jersey (Mr. MENENDEZ).

The CHAIRMAN pro tempore (Mr. EWING). Are there any other amendments to section 6?

If not, the Clerk will designate section 7.

The text of section 7 is as follows:

SEC. 7. BOARD OF DIRECTORS.

Section 233(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(b)) is amended—

(1) by striking the second and third sentences;

(2) in the fourth sentence by striking ''(other than the President of the Corporation, appointed pursuant to subsection (c) who shall serve as a Director, ex officio)'';

(3) in the second undesignated paragraph—

(A) by inserting ''the President of the Corporation, the Administrator of the Agency for International Development, the United States Trade Representative, and'' after ''including''; and

(B) by adding at the end the following: ''The United States Trade Representative may designate a Deputy United States Trade Representative to serve on the Board in place of the United States Trade Representative.''; and

(4) by inserting after the second undesignated paragraph the following:

''There shall be a Chairman and a Vice Chairman of the Board, both of whom shall be designated by the President of the United States from among the Directors of the Board other than those appointed under the second sentence of the first paragraph of this subsection.''.

The CHAIRMAN pro tempore. Are there amendments to section 7?

If not, the Clerk will designate section 8.

The text of section 8 is as follows:

SEC. 8. STRATEGIC EXPORT PLAN.

Section 2312(c) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(c)) is amended—

(1) by striking ''and'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting a semicolon; and

(3) by adding at the end the following:

''(7) ensure that all export promotion activities of the Agency for International Development are fully coordinated and consistent with those of other agencies;

''(8) identify means for providing more coordinated and comprehensive export promotion services to, and on behalf of, small and medium-sized businesses; and

''(9) establish a set of priorities to promote United States exports to, and free market reforms in, the Middle East, Africa, Latin America, and other emerging markets, that are designed to stimulate job growth both in the United States and those regions and emerging markets.''.

The CHAIRMAN pro tempore. Are there amendments to section 8?

If not, the Clerk will designate section 9.

The text of section 9 is as follows:

SEC. 9. IMPLEMENTATION OF PRIMARY OBJECTIVES.

The Trade Promotion Coordinating Committee shall—

(1) report on the actions taken or efforts currently underway to eliminate the areas of overlap and duplication identified among Federal export promotion activities;

(2) coordinate efforts to sponsor or promote any trade show or trade fair;

(3) work with all relevant State and national organizations, including the National Governors' Association, that have established trade promotion offices;

(4) report on actions taken or efforts currently underway to promote better coordination between State, Federal, and private sector export promotion activities, including co-location, cost sharing between Federal, State, and private sector export promotion programs, and sharing of market research data; and

(5) by not later than March 30, 2000, and annually thereafter, include the matters addressed in paragraphs (1), (2), (3), and (4) in the annual report required to be submitted under section 2312(f) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)).

The CHAIRMAN pro tempore. Are there amendments to section 9?

If not, the Clerk will designate section 10.

The text of section 10 is as follows:

SEC. 10. TIMING OF TPCC REPORTS.

Section 2312(f) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)) is amended by striking ''September 30, 1995, and annually thereafter,'' and inserting ''March 30 of each year,''.

The CHAIRMAN pro tempore. Are there further amendments?

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 327, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: The second-degree amendment offered by the gentleman from Illinois (Mr. MANZULLO), the underlying amendment No. 6 offered by the gentleman from California (Mr. ROHRABACHER), amendment No. 8 offered by the gentleman from South Carolina (Mr. SANFORD), the second-degree amendment offered by the gentleman from New Jersey (Mr. MENENDEZ), the underlying amendment No. 10 offered by the gentleman from Nebraska (Mr. TERRY), the second-degree amendment offered by the gentleman from New Jersey (Mr. MENENDEZ), the underlying amendment No. 11 offered by the gentleman from Nebraska (Mr. TERRY).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. MANZULLO TO AMENDMENT NO. 6 OFFERED BY MR. ROHRABACHER

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois (Mr. MANZULLO) to amendment No. 6 offered by the gentleman from California (Mr. ROHRABACHER) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 379, noes 49, not voting 5, as follows:

[Roll No. 495]

AYES—379

Ackerman
Aderholt
Allen
Archer
Armey
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Cook
Cooksey
Costello
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent

Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pastor
Payne
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stenholm
Stump
Stupak
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—49

Abercrombie
Andrews
Bachus
Barr
Bartlett
Burton
Chenoweth-Hage
Coburn
Collins
Conyers
Cox
DeFazio
Duncan
Fossella
Frank (MA)
Hayworth
Hinchey
Hostettler
Hunter
Jackson (IL)
Jones (NC)
Kasich
Kucinich
LoBiondo
McIntosh
McKinney
Myrick
Nadler
Pascrell
Paul
Peterson (MN)
Radanovich
Rohrabacher
Royce
Sanders
Sanford
Shadegg
Slaughter
Smith (MI)
Smith (NJ)
Stark
Stearns
Strickland
Sununu
Taylor (MS)
Tierney
Towns
Vento
Wamp

NOT VOTING—5

Brown (OH)
Burr
Jefferson
Scarborough
Young (AK)

□ 1643

Messrs. TOWNS, BURTON of Indiana, SMITH of Michigan, HOSTETTLER, FRANK of Massachusetts, BACHUS, FOSSELLA, RADANOVICH, TAYLOR of Mississippi, Ms. MCKINNEY, Ms. SLAUGHTER, and Mr. HINCHEY changed their vote from ''aye'' to ''no.''

Messrs. SHAYS, POMBO, YOUNG of Florida, and Mrs. JOHNSON of Connecticut changed their vote from ''no'' to ''aye.''

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. EWING). The question is on the amendment offered by the gentleman from California (Mr. ROHRABACHER), as amended.

The amendment, as amended, was agreed to.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. EWING). Pursuant to House Resolution 327, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 8 OFFERED BY MR. SANFORD

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from South Carolina (Mr. SANFORD) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 104, noes 323, not voting 6, as follows:

[Roll No. 496]

AYES—104

Abercrombie
Andrews
Armey
Bachus
Barr
Bartlett
Bilirakis
Bonior
Burton
Buyer
Campbell
Carson
Chabot
Chenoweth-Hage
Coble
Coburn
Collins
Condit
Cox
Crane
Cubin
DeFazio
DeMint
Doolittle
Duncan
Ehrlich
Fossella
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Gutknecht
Hall (TX)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hinchey
Hoekstra
Hostettler
Hunter
Istook
Jackson (IL)
Jenkins
Jones (NC)
Kaptur
Kasich
Kelly
Kingston
Kucinich
Largent
Latham
Linder
Lipinski
LoBiondo
Lucas (OK)
Luther
McIntosh
McIntyre
McKinney
Meehan
Myrick
Norwood
Pascrell
Paul
Pease
Peterson (MN)
Pombo
Rivers
Rogan
Rohrabacher
Royce
Salmon
Sanders
Sanford
Schaffer
Sessions
Shadegg
Shays
Slaughter
Smith (MI)
Smith (NJ)
Spence
Stark
Stearns
Strickland
Stump
Sununu
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (MS)
Thune
Tierney
Toomey
Visclosky
Wamp
Watkins
Watts (OK)

NOES—323

Ackerman
Aderholt
Allen
Archer
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Combest
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hansen
Hastings (FL)
Hastings (WA)
Hill (IN)
Hill (MT)
Hilliard
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Jackson-Lee (TX)
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pastor
Payne
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Sensenbrenner
Serrano
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stenholm
Stupak
Sweeney
Talent
Tanner
Tauscher
Thomas
Thompson (CA)
Thornberry

Thurman
Tiahrt
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Vitter
Walden
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—6

Bass
Brown (OH)
Burr
Jefferson
Scarborough
Young (AK)

□ 1652

Mr. FOSSELLA and Mr. HALL of Texas changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MENENDEZ TO AMENDMENT NO. 10, AS MODIFIED, OFFERED BY MR. TERRY

The CHAIRMAN pro tempore (Mr. EWING). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New Jersey (Mr. MENENDEZ) to the amendment offered by the gentleman from Nebraska (Mr. TERRY), as modified, on which further proceedings were postponed and on which the noes prevailed by a voice vote.

The Clerk will redesignate the amendment to the amendment, as modified.

The Clerk redesignated the amendment to the amendment, as modified.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 259, noes 169, not voting 5, as follows:

[Roll No. 497]

AYES—259

Abercrombie
Ackerman
Allen
Baird
Baldacci
Baldwin
Barcia
Barr
Barrett (WI)
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Biggert
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Burton
Buyer
Canady
Cannon
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Conyers
Costello
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dunn
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Fowler
Frank (MA)
Frost
Gejdenson
Gephardt
Gilchrest
Gonzalez
Goodling
Gordon
Graham
Granger
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hefley
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Hostettler
Hoyer
Hunter
Hutchinson
Inslee
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lewis (KY)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Morella
Murtha
Nadler
Napolitano
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Paul
Payne
Pease
Pelosi
Peterson (PA)
Phelps
Pickett
Pombo
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Shimkus
Shows
Sisisky
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Strickland
Stupak
Talent
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Visclosky
Walden
Waters
Watt (NC)
Watts (OK)
Waxman
Weiner
Wexler
Weygand
Whitfield
Wise
Woolsey
Wu
Wynn

NOES—169

Aderholt
Andrews
Archer
Armey
Bachus
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Boswell
Brady (TX)
Bryant
Callahan
Calvert
Camp
Campbell
Castle
Chabot
Chambliss
Chenoweth-Hage
Collins
Combest
Condit
Cook
Cooksey
Cox
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Dickey
Dreier
Duncan
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goss
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hoekstra
Horn
Houghton
Hulshof
Hyde
Isakson
John
Johnson, Sam
Kasich
King (NY)
Kingston
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Linder
Lipinski
Lucas (OK)
Manzullo
McCrery
McInnis
McIntosh
McKeon
McKinney
Miller (FL)
Miller, Gary
Moran (KS)
Moran (VA)
Myrick
Nethercutt
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pascrell
Peterson (MN)
Petri
Pickering
Pitts
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Regula
Reynolds
Riley
Rogan
Rohrabacher
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Tancredo
Tauzin
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Vitter
Walsh
Wamp
Watkins
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson
Wolf
Young (FL)

NOT VOTING—5

Brown (OH)
Burr
Jefferson
Scarborough
Young (AK)

□ 1701

Messrs. DUNCAN, KASICH, MCINNIS, Mrs. NORTHUP, Mr. WAMP and Mr. BRYANT changed their vote from ''aye'' to ''no.''

Mr. PALLONE, Ms. ROS-LEHTINEN and Mrs. MORELLA changed their vote from ''no'' to ''aye.''

So the amendment to the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 10 OFFERED BY MR. TERRY, AS MODIFIED, AS AMENDED

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Nebraska (Mr. TERRY), as modified, as amended.

The amendment, as modified, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MENENDEZ TO AMENDMENT NO. 11 OFFERED BY MR. TERRY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New Jersey (Mr. MENENDEZ) to the amendment No. 11 offered by the gentleman from Nebraska (Mr. TERRY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 253, noes 173, not voting 7, as follows:

[Roll No. 498]

AYES—253

Abercrombie
Ackerman
Allen
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Burton
Buyer
Callahan
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Coburn
Conyers
Costello
Coyne
Cramer
Crane
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Fletcher

Foley
Forbes
Ford
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gonzalez
Goodling
Gordon
Graham
Granger
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
LaTourette
Lee
Levin
Lewis (GA)
Lewis (KY)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Pastor
Paul
Payne
Pelosi
Peterson (PA)
Phelps
Pickett
Pomeroy
Portman
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Shimkus
Sisisky
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Stearns
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn
Young (FL)

NOES—173

Aderholt
Andrews
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Brady (TX)
Bryant
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth-Hage
Coble
Collins
Combest
Condit
Cook
Cooksey
Cox
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Dickey
Doolittle
Dreier
Duncan
Ehrlich
Emerson
English
Everett
Ewing
Fossella
Frank (MA)
Ganske
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Green (WI)
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Kasich
King (NY)
Kingston
Knollenberg
Largent
Latham
Lazio
Leach
Lewis (CA)
Linder
Lipinski
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Norwood
Nussle
Ose
Packard
Pascrell
Pease
Peterson (MN)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Regula
Reynolds
Riley
Rogan
Rohrabacher
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Spence
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson
Wolf

NOT VOTING—7

Brown (OH)
Burr
Jefferson
Radanovich
Scarborough
Whitfield
Young (AK)

☐ 1711

Mr. VITTER and Mr. EVERETT changed their vote from ''aye'' to ''no.''

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 11, AS AMENDED, OFFERED BY MR. TERRY

The CHAIRMAN pro tempore (Mr. EWING). The question is on the amendment offered by the gentleman from Nebraska (Mr. TERRY), as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN pro tempore. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. EWING, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1993) to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes, pursuant to House Resolution 327, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore (Mr. EWING). Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MANZULLO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 357, noes 71, not voting 5, as follows:

[Roll No. 499]

AYES—357

Abercrombie
Ackerman
Aderholt
Allen
Archer
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Collins
Combest
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Herger
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard

Pallone
Pastor
Payne
Pelosi
Peterson (PA)
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Serrano
Sessions
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stenholm
Stump
Stupak
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Visclosky
Vitter
Walden
Walsh
Waters
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—71

Andrews
Armey
Bachus
Barr
Barrett (WI)
Bartlett
Burton
Buyer
Campbell
Chabot
Chenoweth-Hage
Coble
Coburn
Condit
Conyers
Cox
Crane
DeFazio
DeMint
Doolittle
Duncan
Ehrlich
Goode
Hayes
Hayworth
Hefley
Hilleary
Hoekstra
Hostettler
Istook
Jackson (IL)
Jones (NC)
Kaptur
Kasich
Kingston
Kucinich
Lipinski
LoBiondo
McInnis
McIntosh
McIntyre
McKinney
Miller (FL)
Myrick
Pascrell
Paul
Pease
Peterson (MN)
Petri
Pombo
Rogan
Rohrabacher
Royce
Ryun (KS)
Salmon
Sanders
Sanford
Schaffer
Sensenbrenner
Shadegg
Smith (MI)
Stark
Stearns
Strickland
Sununu
Tancredo
Taylor (NC)
Tierney
Toomey
Wamp
Watts (OK)

NOT VOTING—5

Brown (OH)
Burr
Jefferson
Scarborough
Young (AK)

□ 1730

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1993, the bill just passed.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Ohio?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENGROSSMENT OF H.R. 1993, EXPORT ENHANCEMENT ACT OF 1999

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 1993, the Clerk be authorized to correct section numbers, cross references, punctuation, and indentation, and to make any other technical and conforming change necessary to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CELEBRATING ONE AMERICA

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the concurrent resolution (H. Con. Res. 141), Celebrating One America, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RANGEL. Mr. Speaker, reserving the right to object, I yield to the gentleman from Ohio (Mr. CHABOT) to please explain this resolution.

Mr. CHABOT. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Ohio.

Mr. CHABOT. Mr. Speaker, H. Con. Res. 141 was introduced by my colleague, the distinguished gentleman, very distinguished gentleman from New York (Mr. RANGEL). This resolution expresses the sense of Congress that all people in the United States should reach out across our differences and ethnicity, race and religion, to respect each other and to celebrate in friendship and unity one America.

I would like to thank the gentleman from New York (Mr. RANGEL) for introducing this commendable piece of legislation.

Mr. RANGEL. Continuing to reserve my right to object, I would like to thank the gentleman from Ohio (Mr. CHABOT) for his unanimous consent request and at the same time thank the gentleman from Illinois (Mr. HYDE), and the ranking member, the gentleman from Michigan (Mr. CONYERS); our majority and minority leaders, the gentleman from Texas (Mr. ARMEY) and the gentleman from Missouri (Mr. GEPHARDT), and also to have the resolution amended to make certain that it includes the Pacific Islanders with the Asians.

I also, in furthering my reservation, would like to point out for many years my brother, the gentleman from New York (Mr. GILMAN), and former Congressman Frank Guarini have gone around the world. We have been to the Middle East; we have been to Africa; we have been to Europe, and we were all fascinated that no matter what mission we were on for the United States Congress, how blessed and how glad we were to get back to these great United States to see how it has been God's will for over 200 years that people from all of these countries that for whatever reason found themselves here seeking a better way of life.

With all of the holidays that we have had, Frank Guarini who now has retired and chairs the Italian American Foundation had put together some 30 organizations of different backgrounds and different cultures with different languages and has made it abundantly clear that if it were not for these people we would not have the great country we have today.

So I want to thank the gentleman from New York (Mr. GILMAN) for the great role that he has played over the years in bringing people together, but most importantly on making certain that we could fashion something that expresses not my feelings or the feelings of the gentleman from New York (Mr. GILMAN) but the feelings of most Americans and certainly the representatives in the House

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the distinguished gentleman from New York (Mr. RANGEL) for his kind words and eloquent words in support of this important measure, and I am pleased to have worked with him on this measure. I have been pleased to travel with him to many nations where we have found sometimes prejudice and intolerance and have found authoritarian governments and, yes, when we returned to our Nation how grateful we were that we enjoy the freedoms that we have here.

Mr. Speaker, I would like to take the opportunity to commend the gentleman from New York (Mr. RANGEL), for sponsoring and bringing to us on the floor tonight H. Con. Res. 141. I also thank the gentleman from Ohio (Mr. CHABOT) for his support on the Committee on the Judiciary.

Furthermore, I want to thank all of our colleagues who have joined together to support this measure and to make a strong statement on behalf of every American in working to build one America. Yes, a gentleman who has been working in the background, a former Member of Congress, Frank Guarini, has appealed to us to urge this measure to show our strong support for one nation, a one American nation.

Mr. Speaker, the history of our Nation is the history of people throughout the world. A nation of immigrants, our Nation represents a diversity of culture, of religion, of ethnicity and race from every corner of the globe. From Andrew Carnegie to Albert Einstein, immigrants have provided our Nation with an incredible wealth of energy, knowledge and creativity. Their

stories are the American experience, and they send a message to the world that this Nation is one which welcomes diversity, offers hope and provides opportunity.

Although our history on occasion has been tainted with prejudice and bigotry, our Nation is committed to defeating ignorance, intolerance and pursuing the high ideal that all men and women are created equal. However, from the tragic shootings at the Jewish Center in Los Angeles to the questions concerning the death of Matthew Shepard over the past few months, the citizens of our Nation have all too often seen the face of bigotry, intolerance and hate.

Accordingly, it is important that we remind those who view the world with prejudice that our Nation will not succumb to ignorance, will not succumb to bigotry, that our diversity is our greatest strength. Accordingly, we stand today to celebrate our Nation's diversity and we recognize the need to continue to reach across racial, ethnic and cultural lines to come together and build a unified nation. America is one, and I urge my colleagues to support this measure.

Mr. RANGEL. Mr. Speaker, I continue my reservation only to thank, again, the gentleman from Ohio (Mr. CHABOT) for facilitating this through the great Committee on the Judiciary and to tell my friends and colleagues that they can join with the close to 70 Members of the House tomorrow, Thursday, as we meet in Statutory Hall at 10:00 on October 14, where we can really say God bless America and the wonderful people that make this country as great as it is.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. MCNULTY. Mr. Speaker, reserving the right to object and, of course, I will not object, Mr. Speaker, but I have listened to the colloquies that have been going on and I just want to say that if there are any two people in this body who represent the ideals that all Americans hold dear, they are the gentleman from New York (Mr. GILMAN) and the gentleman from New York (Mr. RANGEL), and I rise in strong support of this legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 141

Whereas the United States is a nation of immigrants, whose 270,000,000 inhabitants hail from every corner of the globe;

Whereas from Ellis Island to the Pacific coast, the United States has welcomed immigrants seeking freedom and opportunity;

Whereas the United States democratic system of government mandates equal protection under the law and the right to life, liberty, and the pursuit of happiness for all its citizens;

Whereas the United States endured a civil war for emancipation, and in doing so, formed a permanent union and a society of equals;

Whereas the United States has outlawed racial, ethnic, and religious bigotry to create the world's greatest multicultural society;

Whereas the United States respects the individual and welcomes each one's participation in our democratic society;

Whereas the United States is the preeminent land of opportunity which rewards hard work, ingenuity, and perseverance;

Whereas the ethnic diversity of the United States has provided an abundance of energy, creativity, and prosperity;

Whereas people in the United States recognize and reward the contributions of members from every group;

Whereas people in the United States are working to close opportunity gaps so that all may share in the great prosperity of our Nation;

Whereas people in the United States of all backgrounds have sacrificed their lives in war to defend the cause of freedom for people around the world; and

Whereas people in the United States of African, Asian, European, Latin American, Middle Eastern, and Native American backgrounds cherish and celebrate their various national, ethnic, and religious heritages: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that all people in the United States should reach out across our differences in ethnicity, race, and religion to respect each other and to celebrate, in friendship and unity, one America.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 2670, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

Mr. TANCREDO. Mr. Speaker, pursuant to clause 7c of rule XXII, I hereby announce my intention to offer a motion to instruct conferees tomorrow on H.R. 2670, the Commerce/Justice/State appropriations bill.

Mr. Speaker, the form of the motion is as follows:

Mr. TANCREDO moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill, H.R. 2670, be instructed to agree, to the extent within the scope of the conference, to provisions that, one, reduce nonessential spending in programs authorized within the Departments of Commerce, Justice and State, the Judiciary and other related agencies; and, two, reduce spending on international organizations, in particular, in order to honor the commitment of the Congress to protect Social Security; and, three, do not increase overall spending to a level that exceeds the higher of the House bill or the Senate amendment.

ALABAMA REJECTS PLAN FOR A LOTTERY

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. WOLF. Mr. Speaker, I want to call to the attention of my colleagues today's headlines: Alabama Rejects the Plan for a Lottery, AP. Fifty-four percent of the voters in Alabama rejected a State-sponsored lottery yesterday. The Crimson Tide has rejected a lottery in their State, and perhaps this is a shift that will change the tide of gambling in America.

According to news reports, the tide is expected to wash over South Carolina, where a referendum to ban video poker is expected to also pass.

I want to congratulate the people of Alabama for standing up and voting against State-sponsored gambling, and I hope others around the country will take note of what has occurred at the ballot box.

Mr. Speaker, I would like to, at this point, submit this material for the record.

MONTGOMERY, AL. (AP)—Gov. Don Siegelman, who lobbied long and hard for a state lottery to help fund education, watched the measure collapse in defeat at the hands of voters unwilling to cross their ministers.

With 98 percent of precincts reporting, 663,988 people, or 54 percent, opposed the lottery referendum Tuesday, and 559,377 people, or 46 percent, supported it. Turnout was estimated at 50 percent.

The proposal—a constitutional amendment to allow gambling—had once enjoyed a 20-point lead in the polls but came under increasing fire from church groups who said it would exploit the poor.

Other opponents also claimed that a recent traffic ticket-fixing scandal showed that the Democratic governor's administration could not be trusted to oversee gambling in the state.

Alabama joins Arkansas, Oklahoma and North Dakota as states that have rejected lotteries at the ballot box. Thirty-seven states and the District of Columbia have approved them.

The loss was a stinging blow to Siegelman, who had made the referendum's passage a cornerstone of his 1998 election victory over Republican Fob James.

''In my inaugural address, I said that we would dare mighty things. I said that we would try new things and if they didn't work we would try something else,'' Siegelman said after the votes were counted.

He said the results ''only serve to motivate me and to energize me in our fight and our quest to change education in this state forever.''

Along with the lottery proposal, two other proposed constitutional amendments were on the ballot, and voters in Birmingham and Montgomery chose candidates for mayor and city council members.

In Birmingham, Alabama's largest city, interim Mayor William Bell led a 14-way race for the mayorship but was forced into a Nov. 2 runoff against City Councilman Bernard Kincaid.

In Montgomery, conservative Mayor Emory Folmar led six opponents in his bid for a seventh term but was forced into a runoff against Bobby Bright, a lawyer backed by organized labor.

Siegelman had promised that the lottery would generate at least $150 million annually to fund college scholarships, a pre-kindergarten program and computer technology in schools.

''He has put everything on this,'' said Auburn University at Montgomery political analyst Brad Moody. ''He has made it the centerpiece of his campaign and the centerpiece of his first year in office. He has thrown all his political capital away.''

Sheila Bird was among those who voted against the lottery even though her 2-year-old daughter Amanda could have one day benefited from the plan.

''I just feel like it's morally wrong. I feel like it's going to cause problems in lower income families,'' she said. ''I think you can get money other ways.''

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

(Mrs. MALONEY of New York addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Mrs. JOHNSON) is recognized for 5 minutes.

(Mrs. JOHNSON of Connecticut addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

DEMOCRATS WHO CONTINUE TO SUPPORT SEPARATION OF CHURCH AND STATE ARE ALSO RELIGIOUS PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. BROWN) is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, I rise this evening because I listened to several of my Republican colleagues on the floor last night, and I was very disturbed by what I heard. The Members implied that because Democrats continue to support separation of church and State we are not religious people. As a child growing up in Jacksonville, Florida, the district I now represent, my religion was the cornerstone of my life. It still is today. In fact, my church is more to me than a place I visit on Sunday. It is my home. It is a family gathering place and it is a real part of the community I represent.

My Republican colleagues would have people believe that Democrats are anti-faith. This is a lie. Democrats believe in the separation of church and State. We believe that every person has the right to choose their religion. We do not believe it is up to the House of Representatives to dictate how and where our faith should be expressed. Our constituents did not elect us to be their spiritual leaders. They do not turn to C–SPAN for healing. Rather, they expect us to vote for the programs and policies that mirrors their beliefs. This is how they judge us.

Do we support Head Start and school lunch programs, education? Do we support saving Social Security and protecting public education? This is the reason we have been sent to Washington, not to preach but to support the things that are important to the people who sent us here.

OUR TRADE DEFICIT IS STILL GROWING

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

Mr. DUNCAN. Mr. Speaker, earlier today my good friend, the gentleman from Ohio (Mr. TRAFICANT), spoke on this floor about our trade deficit. He pointed out that our trade deficit in the last quarter hit an all-time record of $87 billion. If that keeps up, it would be an astounding $350 billion for the full year, meaning that we are buying that much more from other countries than they are buying from us.

Most economists agree that we lose, conservatively, 20,000 jobs per billion, meaning we would lose 7 million jobs to other countries in one year if our trade deficit stays at the rate of this last quarter. Many people believe we are losing these jobs, that we have this unbelievable trade deficit in large part because of bad trade deals, trade deals good for big multinational companies but very harmful to small American businesses and American workers.

The Christian Science Monitor, one of the leading national newspapers, had this on its front page recently, quote, ''America's widening trade deficit, now more than $25 billion a month, is starting to cause concern in the topic echelons of the United States.

□ 1745

''While the trade gap has been growing for years, it is becoming large enough that experts are becoming increasely worried it will slow the 'miracle' economy of the 1990s.''

Just 1 week later, the Washington Post reported that the ''suddenly slumping'' U.S. dollar ''is stirring unease about the potential for a stampede by foreign investors from American stocks and bonds, which could terminate the U.S. expansion and destabilize the world economy.''

According to the Post, ''The problem starts with the U.S. trade deficit . . . as the booming U.S. economy sucks in massive amounts of imports, and slumping overseas markets absorb fewer exports from American firms.''

We simply cannot, Mr. Speaker, continue to run trade deficits of 300 or more billions of dollars each year without causing very serious problems for our own people.

Today, our unemployment is very low, but our under-employment is terrible.

We have many college graduates who work very hard and spend a lot of money to get a degree in a field in which there are very few good jobs available. There are so many people getting law degrees these days that even they are becoming of very little assistance to many in getting good jobs or positions.

Most colleges and universities cannot discourage students from majoring in certain subjects without causing a faculty rebellion.

So parents and students really need to start asking the hard question: Is it likely that I can get a decent job if I major in this subject?

If we keep running trade deficits like we are now, we will have more and more college graduates working as waiters and waitresses. Also, young people had better wake up and tell these environmental extremists that we cannot base our entire economy on tourism unless we want to have almost everybody working at minimum wage jobs.

This large trade deficit, which is causing us to lose so many high-paying jobs, is also causing the gap between the rich and the poor to grow much wider.

This is, I suppose, why it is hard for so many wealthy people to realize the extent of this under-employment problem and why so many upper income people support extreme environmental measures that really hurt lower income people by driving up prices and destroying jobs.

I started thinking about all this after reading a column by William Safire in today's Knoxville News-Sentinel, which I assume ran in yesterday's New York Times. Mr. Safire, after being ripped off due to a big cable merger, wrote in a column entitled, ''Giant Corporations May Not Serve Us Well,'' these lines: ''The merger-manic mantra: In conglomeration there is strength.

''Ah, but now, say the biggest-is-best philosophers, we're merging within the field we know best. And if we don't combine quickly, the Europeans and Asians will, stealing world business domination from us.

''The urgency of globalization, say today's merger maniacs, destroys all notions of diverse competition, and only the huge, heavily capitalized multinational can survive.''

Mr. Safire concluded, ''Only JOHN MCCAIN dares to say: 'Anybody who glances at increases in cable rates, phone rates, mergers and lack of competition clearly knows that the special interests are protected in Washington, and the public interest is submerged.' ''

Are we, Mr. Speaker, ''Wal-Marting'' the entire world? In a few short years, are just one or two big giants going to control every field and every industry? I sure hope not.

A few years ago, I spoke on the floor of this House, pointing out that U.S.A. Today said competition existed in only 55 out of 11,000 cable markets.

The situation is worse today. The Wall Street Journal said then, ''Competition is the last thing big cable operators want. They have vigorously lobbied local and State governments to keep their turf exclusive.''

I said in my speech in Congress at that time, ''What we really need is more competition. Every place there is competition, cable prices have gone down and service has gone up.'' This is true in every field.

Here in Washington, the two daily Washington newspapers sell for 25 cents each. Most places where there is no competition, much smaller newspapers sell for 50 cents or more.

I voted against the big telecommunications bill a few years ago because of my fear that it would only lead to a massive consolidation within the industry and the big getting much bigger. That is certainly coming true even faster than I thought.

If the government, Mr. Speaker, keeps approving more and more mergers, if our anti-trust, anti-monopoly laws become a joke, if we keep giving every break to multinational companies and keep running huge trade deficits, our under-employment will grow worse, our middle class will be slowly wiped out, and the United States will be a very different place than it has been up until now.

The SPEAKER pro tempore (Mr. FLETCHER). Under a previous order of the House, the gentlewoman from Connecticut (Ms. DELAURO) is recognized for 5 minutes.

(Ms. DELAURO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

HELP AMERICAN CITIZENS BEFORE GIVING MONEY ABROAD

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

Mr. FOLEY. Mr. Speaker, I just wanted to get up for a moment and talk about some of the events of the past couple of weeks and some of the acrimony that exists in this Chamber and some of the dialogue that takes place. We had a very difficult and interesting vote on foreign aid the other day and foreign operations.

It caused me to think, as I looked at some editorial comments. It was interesting, and I want to quote from Charley Reese from the Port St. Lucie Tribune, ''Real Help For North Carolina Heading Overseas''. He says ''Think this through: People who have lost everything in eastern North Carolina to the floods can get help from the U.S. Government in the form of loans at interest.

''I dare say many of those who lost their homes had not paid off their mortgages. The obligation to pay the morality remains even if the house is gone and rendered unlivable. So in essence, the federal assistance consists of an offer to most folks to make two mortgage payments instead of one.''

So we look at our own real-life circumstances in this city and in this country, and we say to ourselves, yes, we have a responsibility for foreign aid. We have a responsibility to help other nations. But when do we start focusing on the American public and the American taxpayer?

The President suggested the other day he would like to wipe out $5.7 billion worth of foreign aid that have been given over the past years in the form of loans. To some of that, I give credit. Some of the countries cannot repay the money.

But let us think of our experience over the last couple of decades of American foreign policy. Let us think of the billions of dollars that have been swept out of the taxpayers' wallets in the United States and are now residing in Zurich, Switzerland in the form of secret bank accounts by people like Duvalier, people like the Marcoses, people that have plundered the United States foreign aid not to help the countrymen that they were supposedly elected to serve, but to put it in their own bank accounts, and to run off with our cash.

Now, we are going to wipe out debt, and we are going to just erase the balance sheet and say they do not have to pay us back. Yet, in North Carolina, if one's home is destroyed by an earthquake or a hurricane or some other devastation, one is told to come to the line and borrow from the U.S. government, and one can make two payments at once.

We also hear that we cannot give any kind of tax break for individuals. We cannot eliminate the marriage penalty. We cannot give debt relief on the estate tax relief. We cannot do anything to reduce the cost of insurance by giving credits to small business owners or self-employed, because we cannot afford a tax cut. It is selfish. It is stingy. It is not proper. It will explode the deficit.

We have to use the surplus for other things that we think are good for the American public. We should spend our resources, our surplus on things that we think are good for people rather than people voicing their opinion.

Then I started to think of the real overriding question, which is: Surplus? What are we all talking about? A surplus? There is $5.7 trillion worth of debt. There is no surplus. There may be an excess cash to expenditures. But, clearly, there is no surplus.

But if we keep doing these things and paying money in all kinds of different accounts and different proposals, we will never balance the budget, and no American taxpayer will get any relief.

We sent money to Russia recently, I can remember, through the IMF, and nobody can account for the hundreds of millions of dollars that are residing in the bank accounts all over the world. The Russians never got helped by our cash. It went into the pockets of people who purloined the money and took it for their own use.

We keep saying to ourselves, well, we will do better next time. We will put some oversight panels together. We will look at the money and the expenditures. Yet, each time, we fall into the trap once again of saying we better add some more money to the appropriations bill because we have got to help out another one of our neighbors in trouble, a neighbor overseas.

Then I think when I ride around at night, how many homeless Vietnam veterans are probably on the streets of our Nation's capital, homeless Vietnam veterans who are going without health care, medical care of any kind because we cannot help them. They fought the good fight, but we have got too many other things on our plate.

We cannot sacrifice individual appropriations bills, because we are all trying to protect our reelections. We cannot make our government more fiscally sound because we are too interested in racking up totals that are mind boggling on their face.

Our interest payments are like $247 billion a year on the debt we have now at $5.7 trillion. So we will never get ahead if we continue this. But what about giving or, as the headline says, forgiving our debts. What about forgiving some of the debts that the American public has every day that they work and pay their taxes to help support this government, and we seem tone deaf to be able to turn our responsibilities directed towards them.

I say, pay down the debt. But I also say let us not start attacking the majority party here for being cheap as I heard last week. We did not recognize our responsibilities. So let us focus a little bit more on the American public, the American taxpayer, helping our own citizens, our community before we start giving money away abroad.

GOOD NEWS TONIGHT: BUDGET BALANCE WITHOUT TOUCHING SOCIAL SECURITY

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, Will Rogers used to say, ''All I know is what

I read in the newspapers.'' There was another commentator who used to start his news cast every night by saying, ''This is good news tonight.''

Mr. Speaker, there is good news tonight, perhaps the best news that we have had on the economy and the budget in a long, long time. There it is on page A18 of the New York Times. In fact, it appeared in newspapers all over the country today.

Let me read the first two paragraphs. ''Something symbolically enormous may have happened today: the Congressional Budget Office announced that the Government may have balanced the budget in fiscal year 1999'', that is the one we just finished, ''without spending Social Security money.

''If so, it would be the first time that has happened since 1960, when Dwight Eisenhower was President, gentlemen sported felt fedoras and women wore fox stoles.''

Mr. Speaker, this is truly great news. It is great news for all generations. What this really means, it means a more secure retirement for our parents. It means a much stronger economy for baby boomers and folks who are working. But, most importantly, it means a brighter future for our kids.

This is just a blow up of that article that appears in the New York Times, but it is written all over. It is a great story.

I want to come back to something and show my colleagues where we were just a few years ago. Because I think to understand the importance and the significance of this, we sort of have to look at where we were.

This is what the Congressional Budget Office was predicting just a few years ago with what was going to be happening in terms of the Social Security deficit projections. We were looking, in 1999, at a deficit of $90 billion. We were going in the wrong direction. So the American people said enough is enough. We have got to change course.

So what we did is we began to gradually reduce the growth in Federal spending. We have cut the rate of growth in Federal spending by more than half. As a result, today, we not only have a balanced budget ahead of schedule, but we believe, for the first time since Dwight Eisenhower was President, we actually have a balanced budget without stealing from Social Security.

Now that we have crossed this Rubicon, I think we have to make it clear that we are not going to turn back. If we are going to do that, I think we have really only several alternatives. One thing, of course, we can always do is raise taxes. There are more than enough of our friends on the left who believe that that is really the answer in terms of balancing our budget long-term.

The second, of course, is we could turn our backs on Social Security. We can begin to steal from Social Security again. We believe that is the wrong course.

The only other real alternative we have in terms of balancing the budget and saving Social Security would be to cut spending.

Now, in the next couple of days, we are probably going to be faced with that simple choice: Are we going to raise taxes? Are we going to steal from Social Security? Are we going to cut spending?

I happen to believe that the third option is the only one that the American people will accept. I also happen to believe that the fairest way to cut that spending would be across the board.

Our leadership and people on the Committee on Appropriations are working on a plan whereby we would cut spending 1 percent across the board. I think that is the fairest thing to do. I think that is what the American people want us to do.

As I say, after wandering in the wilderness of deficit spending, of enormous deficits, including borrowing from Social Security for 40 years, we have finally crossed the River Jordan. Now that we have, we have it within our power to make certain and make it clear to future generations that we are not going back.

HATE CRIMES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized for 5 minutes.

Ms. SCHAKOWSKY. Mr. Speaker, 1 year ago, a mother in Wyoming received news that tragically changed her life forever. Her son, an openly gay University of Wyoming student, was kidnapped, robbed, beaten, and burned by two male assailants. Left exposed to the elements, latched to a ranch fence for 18 hours, the young man Matthew Shepard died at a local hospital 6 days later. He lost his life as a result of bigotry and hate.

One year later, we stand on the House floor empty handed, unable to provide any real comfort to the mothers and fathers of the Matthew Shapards of our Nation. One year later, we stand on the House floor to mourn the death of Matthew, yet, failed to honor his life in any meaningful way. One year later, we are working to ensure that the Hate Crimes Prevention Act of 1999 becomes the law of the land, yet a real threat exists that we may not succeed.

□ 1800

Mr. Speaker, it is not fair to the families of America. It is not fair to the families who have lost a loved one as a result of hate. It is not fair for these families to have to wait for Congress to recognize their need and honor the lives of the loved ones they lost. It is not fair for Congress to remain silent while these programs loudly demand action.

Hate can occur in any community. In Jasper, Texas, three white men dragged a 49-year-old black man for two miles while he was chained to the back of a pickup truck. In Ft. Campbell, Kentucky, a 21-year-old Private First Class was brutally beaten with a baseball bat in his barracks because he was gay.

In my district over the Fourth of July weekend, hate erupted with a vengeance. A madman full of rage and with a gun took the life of two men and forever changed the lives of many families.

This madman left us grieving for Ricky Byrdsong and his family and Woo-Joon Yoon, an Asian student from Bloomington, Indiana, and angry for the assault on Jewish men peacefully observing the Sabbath.

Ricky Byrdsong lived in Skokie, Illinois, in my district. He was a loving husband, a father, a leader in the community, a former basketball coach at Northwestern University, a man of deep religious faith, and a constituent. He was murdered in cold blood. His only crime was the color of his skin. He was African-American.

Many skeptics say we do not need this bill. But tell that to the family of Ricky Byrdsong or Matthew Shepard.

I urge my House colleagues on the Commerce-State-Justice Conference Committee to agree to include the hate crimes prevention act in the final bill. We must expand and improve the Federal hate crimes law and punish those who choose their victims based on race or gender, ethnicity, sexual orientation, or physical disability.

It would also make it easier for Federal law enforcement officials to investigate and prosecute cases of racial and religious violence.

State and local authorities currently prosecute the majority of hate crimes and will continue to do so under this legislation. Keeping the Hate Crimes Prevention Act in the appropriations bill will increase Federal jurisdiction to allow Federal officials to assist State and local authorities to investigate and prosecute hate crimes. It will also provide State and local programs with grants designed to combat hate crimes committed by juveniles.

While serving in the Illinois State House, my colleagues and I were successful in strengthening State laws dealing with hate crimes. I am looking forward to working with my colleagues here in the Congress to translate successes on the State level to the national stage.

The Hate Crimes Prevention Act is such an opportunity to send a clear and powerful message that the safety of all people is a priority and anyone who threatens that safety will face the consequences.

As a Member of Congress who represents one of the most diverse districts in the Nation, I strongly believe that we must ensure the passage of this act. Hate crimes if left unchecked not only victimize our citizens but debase and shame us all.

SENATE MESSAGE

A message from the Senate by Mr. Lundregan, one of its clerks, an-

nounced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1906) ''An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2000, and for other purposes.''

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

(Mr. METCALF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Wisconsin (Ms. BALDWIN) is recognized for 5 minutes.

Ms. BALDWIN. Mr. Speaker, I rise today in support of H.R. 1082, the Hate Crimes Prevention Act.

In August, the House Committee on the Judiciary, on which I sit, held a hearing on hate crimes. We heard testimony from Carole Carrington. I am sure my colleagues are familiar with her story.

Her daughter, granddaughter, and a dear family friend were murdered in Yosemite National Park last February. The murderer was finally captured a few months later after brutally murdering another woman near Yosemite.

Why did this man kill these four women? Because they were women. He claims to have fantasized about killing women for the last 30 years. He did not know any of his victims. He targeted them simply because they were women.

Mr. Speaker, this great Nation was founded on the desire for freedom, freedom from oppression, freedom from religious persecution, freedom to participate as full citizens.

Our Nation's founding principles revolve around the concept of individual liberties and the freedom to live our lives in a free and open society. We have long recognized that personal safety and security are essential for a person to exercise the rights and obligations of citizenship.

Governments are created by men and women in part to protect and defend citizens from violence to ensure that they are able to exercise their personal liberties.

Hate crimes are intended to intimidate the victim and to limit those freedoms. Hate crimes are designed by the perpetrators to create fear in the victim. The woman who was attacked on a dark street lives in fear of another attack. The African-American family that has a cross burned on their lawn remembers that threat far after the scorch marks on the grass have been washed away. The gay teenager who is beaten by classmates may never feel safe in school again.

Hate crimes are meant to instill fear. And the fear that hate crimes instill is not simply targeted at the immediate victim. The fear is aimed at members of the group. Hate crimes are different than any other violent crime because they seek to terrorize an entire community, be it burning a cross in someone's yard, the burning of a synagogue, or a rash of gay bashings.

This sort of domestic terrorism demands a strong Federal response because this country was founded on the premise that a person should be free to be who they are without fear of violence.

A member of the other body, the Republican chairman of the Senate Committee on the Judiciary, said, ''A crime committed not just to harm an individual but out of a motive of sending a message of hatred to an entire community is appropriately punished more harshly, or in a different manner, than other crimes.''

I do not know for sure what causes hate. I am sure the expert have some ideas. But fear of the unknown combined with stereotyping of groups that reinforces that fear probably has something to do with it.

I know that hate crime legislation cannot cure the hate that still resides among some in our country, but this legislation can provide more protections for groups who are targeted and send an important message that Congress believes that hate crimes against any group are a serious national problem that deserves to be addressed.

One year ago, a young University of Wyoming student, Matthew Shepard, was brutally murdered because he was gay. We all know the story. But Matthew's murder had a profound personal impact on me. It reminded me that I could be targeted simply because of who I am.

It was at the height of my campaign when they found Matthew's body. The word spread quickly among my many university student volunteers, and I could see the hurt and fear in their eyes as they talked about what happened to this young university student, a person their age.

A number of my volunteers were gay or lesbian and they were in shock. It affected so many of us profoundly and personally.

Hate crimes are an attack on society, an attack on tolerance, an attack on freedom. This Congress ought to act swiftly to pass the Hate Crimes Prevention Act.

Mr. Speaker, I yield to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I thank the gentlewoman for yielding. I would like to associate myself with the words of the gentlewoman from Wisconsin for her leadership on this issue.

Let me say directly to the American public, this is desperately needed legislation. We have in our climate today too much anti-Semitism, too much racial hatred, too much homophobia, and people who are singled out based on those parameters are targeted by those that hate others because of who they are, because of their gender or orientation or color of skin.

This should not be permissive in this society of ours as we enter the 21st century, and we have to deal with this and we have to confront it and we have to educate our children because these crimes are devastating.

We had a boy killed in our community recently in West Palm for the same motivation, because he was gay. We have heard crime after crime similar to these Matthew Shepard cases that are wrenching the heart and soul out of our country.

So I applaud the gentlewoman for her leadership. I join my colleague in urging the Congress to adopt hate crime legislation to federalize these crimes. Because, again, these are not singular acts. These are acts by despicable people who seek out people based on race, gender, sexual orientation. They are mean-spirited and they must be dealt with with the full effect of the law so, hopefully, we can turn the tide on these crimes and get people to recognize that the punishment will be severe, it will be swift, and maybe they will think twice before they inflict their hatred on others.

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

(Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HATE CRIMES—OTHER NOT-SO-WELL-KNOWN CASES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WEINER) is recognized for 5 minutes.

Mr. WEINER. Mr. Speaker, I do not know where Sylacauga, Alabama, is. But in February of 1999, Billy Jack Gaither, a gay man, was abducted and beaten to death with an ax handle and set afire among burning tires in a remote area.

And frankly, Mr. Speaker, I do not know where Texas City, Texas, is either. But that is a place where two black gay men, Laaron Morris and Kevin Tryals, were shot to death and one of the men was left inside a burning car.

And very frankly, Mr. Speaker, I do not know where Kenosha, Wisconsin, is, although I have heard of it. But that is a place where, in May of 1999, a 27-year-old man intentionally swerved his car onto a sidewalk to run over two African-American teens. After hitting the two cyclists, he left the scene and kept driving until stopped by police. Eight years earlier, the same man ran his car twice into a stopped van carrying five African-American men and drove away.

I do not know where those places are. But very frankly, Mr. Speaker, I think

many Americans do not know where Laramie, Wyoming, was until about a year ago Matthew Shepard, an openly gay 21-year-old university student, was savagely beaten, burned, tied to a wooden fence in a remote area, and left to die in subfreezing temperatures.

There is nothing about these cases that reflects poorly on those individual towns across America. In fact, hate crimes like these, unfortunately, are happening in towns big and small, major metropolises, small neighborhoods all across this country.

Since 1991, when the Department of Justice started keeping hate crime statistics, they found after surveying hundreds of police department law enforcement agencies around this country that about 4,600 hate crimes had been committed. When they did a similar survey in 1997, they found that that number had nearly doubled to over 8,000.

This is an epidemic, Mr. Speaker. Matthew Shepard made us all gasp in horror. But now we in Congress have an opportunity to act.

Not so long ago, in 1990 and 1994, this House did act in passing the Hate Crime Statistics Act and Hate Crimes Sentencing Enhancement Act. But we have seen again and again that that law needs to be strengthened. We learned frankly from cases all across this country that there are problems with the current law that we are obligated to fix.

The Federal prosecution of hate crimes can only happen if the crime is motivated by race, religion, national origin, color, and the assailant intended to prevent the victim from exercising a very narrowly defined protected right, like voting or attending school.

The law is so narrowly written that we are seeing problems with prosecutions all around this country. In 1994, a Federal jury in Fort Worth, Texas, acquitted three white supremacists of Federal civil rights charges arising form unprovoked assaults on African-Americans, including one incident where the defendant knocked the man unconscious as he stood near a bus stop.

□ 1815

Some of the jurors revealed after the acquittal that although they were absolutely convinced that the crime was racially motivated, they could not find that it fit into one of these narrow racially protected activities. The same happened in 1992 when two white men chased a man of Asian descent from a nightclub in Detroit and beat him to death. The Department of Justice, with a great deal of help from the State and locality, tried to prosecute it using the current hate crimes law and failed because the law was too narrowly crafted.

We have an opportunity with the bill that is currently before the House Committee on the Judiciary to deal with this problem, to broaden the crimes which the Federal Government, with the help of the States and localities, can prosecute. We have seen over and over again that if the Federal Government brings its forces to bear, that we can make a difference.

Mr. Speaker, sometimes this House is criticized for acting only in the face of abject crisis. I believe that that crisis has been shown to us by the horror of Matthew Shepard. Now is the opportunity for us to act in this time of crisis, to pass the Hate Crimes Enhancement Act, to finally begin to do something to stop that increasing trend of hate crimes. I cannot promise anyone in this Chamber that if we were to pass this act, there will not be people with hate in their hearts, there will not be people who do horrific things in small towns and big cities all across this country. But I do know we have an obligation to act, because what happened to Matthew Shepard was not just a blow to that small town, it was not just a blow to gay rights, it was not just a blow to that person's family, it was a blow to our national family. It was a horror that all of us must address.

IN SUPPORT OF THE HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from New York (Mr. NADLER) is recognized for 5 minutes.

Mr. NADLER. Mr. Speaker, we are faced with an historic opportunity once again this year to pass legislation to combat violent hate crimes that continue to plague our country.

Last year, despite the brutal killing of Matthew Shepard simply because he was gay, we failed to incorporate the Hate Crimes Prevention Act into a bill to fund the Justice Department. We must not make the same mistake again this year.

In the year that followed Matthew Shepard's death, thousands of hate crimes were committed and Congress failed to protect gays, lesbians, bisexuals, transgender individuals and others from these heinous crimes.

Tragically, we are all far too familiar with the violent acts of terrorism that are sweeping our country. The August 10 shooting of a Filipino-American letter carrier, shooting to death, three young children who were shot and two adults at the Los Angeles Jewish community center is one of a series of brutal hate crimes that continue to plague victims, families, communities and the Nation. These violent acts come on the heels of the July 4 shooting spree in Illinois and Indiana, and the burning of three synagogues in northern California.

Congress has been far too slow in responding to the hate crimes that continue to threaten our communities all across America. Week after week we hear horror stories of murderers attacking innocent people because they are, or are perceived, to be members of a certain community, because they are of a particular ethnic group, or thought to be of a particular ethnic group, or race or color or creed or sexual orientation. These hate crimes devastate families and local communities and they also send a chill down the backs of everyone else that belongs to the same group.

Remember, hate crimes are especially odious because they victimize more than just the individual victim, they also are acts of terrorism directed against an entire class of citizens. When a hate crime is committed, it sends a message to every member of the targeted group that they risk their lives simply by being a member of a targeted group. No American should have to be afraid to live in any community because they are threatened with violence because of who they are.

We should instruct the conferees to accede to one version of the Senate language, to agree to add gender and disability and sexual orientation to the Federal hate crimes law. There is a necessity to do this in order so that we can give help to States that have their own hate crimes laws but need Federal assistance in investigating crimes.

The Senate has already passed the Hate Crimes Prevention Act as an amendment to the Commerce, Justice, State and Judiciary appropriations bill which is now in the conference committee. Over the summer, I organized a group of 62 other Members of the House, both Republicans and Democrats, to join together and urge the conferees to include the Hate Crimes Prevention Act in the final appropriations bill. I hope we are successful and that we can pass meaningful reform this fall. It is certainly within our grasp, but we need all the help we can get to urge other Members of the House and of the Senate to include this vital legislation, the Hate Crimes Prevention Act, in the final version of the appropriations bill.

We must all redouble our efforts to pass sensible hate crimes prevention legislation this year. We must continue our fight to protect American families from violent bigotry and from vicious acts of hatred. Our constituents and the citizens of this great country expect no less of us.

IN SUPPORT OF HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CROWLEY) is recognized for 5 minutes.

Mr. CROWLEY. Mr. Speaker, I am proud to rise today and speak in favor of the Hate Crimes Prevention Act of 1999 which is cosponsored by myself and 184 of my colleagues in this House.

Just a few weeks ago, our country was shocked when a gunman entered a Jewish community center in Los Angeles, shooting at innocent children. His intent, and I quote, ''sending a message

by killing Jews.'' What kind of message was he sending? A message of hatred.

One year ago yesterday, in Laramie, Wyoming, a young man named Matthew Shepard was killed. The reason? Because he was gay.

In Jasper, Texas, a man was murdered and dragged through the streets because he was an African-American.

All of these incidents are hate crimes. They do not just affect the group that was killed, they affect each and every one of us.

This is especially troubling to me because of the rash of anti-immigrant billboards and posters in my district of late which falsely blame immigrants for all of society's problems. Having spent my entire life in Queens County in New York, I recognize the problems faced on a daily basis by minorities who strive to eliminate any form of discrimination still present in our society. Unfortunately, the billboards of late only tell that discrimination is alive and well.

I believe the Hate Crimes Prevention Act of 1999 is a constructive and measured response to a problem that continues to plague our Nation. Violence motivated by prejudice. This legislation is also needed because many States lack comprehensive hate crime laws.

I understand there are some people who believe that hate should not be an issue when prosecuting a crime. They say our laws already punish the criminal act and that our laws are strong enough as is. I answer with the most recent figures from 1997, when 8,049 hate crimes were reported in the United States, 8,049 crimes, because of hate. According to the FBI, hate crimes are underreported. So the actual figure is much, much higher.

I say to my colleagues, penalties for committing a murder are increased if the murder happens during the commission of a crime. Murdering a police officer is considered first degree murder, even if there was no premeditation. Committing armed robbery carries a higher punishment than petty larceny. There are degrees to crimes. Local governments and State governments and the Federal Government recognize that. And committing a crime against someone because of their race, color, sex, sexual orientation, religion, ethnicity or other group should warrant a different penalty. These crimes are designed to send a message, ''We don't like your kind and here is what we're going to do about it.'' So why can we not punish crimes motivated by hate differently than other crimes?

Mr. Speaker, this legislation does not punish free speech as some have contended. Nowhere does it say you cannot hold a certain political belief or view or a particular philosophy. What it does say is that if you commit a violent act because of those beliefs, you will be punished and punished differently.

Hate crime laws are also constitutional. The U.S. Supreme Court's ruling in Wisconsin v. Mitchell unanimously upheld a Wisconsin statute which gave enhanced sentences to a defendant who intentionally selects a victim because of the person's race, religion, color, disability, sexual orientation, sex or nation of origin.

I believe we ought to stand up as a Congress and as a country to pass the Hate Crimes Prevention Act to make our laws tougher for the people who carry out these heinous crimes.

The Senate has already included it as part of the fiscal year 2000 Commerce-Justice-State appropriations bill. I would urge the House conferees to recede to the Senate on this section. At the very least, H.R. 1082 should be brought to the House floor for consideration. We must end the hate that is permeating our society.

PERIODIC REPORT ON TELECOMMUNICATIONS PAYMENTS PURSUANT TO TREASURY DEPARTMENT SPECIFIC LICENSES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations:

To the Congress of the United States:

As required by section 1705(e)(6) of the Cuban Democracy Act of 1992, 22 U.S.C. 6004(e)(6), as amended by section 102(g) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, Public Law 104–114, 110 Stat. 785, I transmit herewith a semiannual report ''detailing payments made to Cuba . . . as a result of the provision of telecommunications services'' pursuant to Department of the Treasury specific licenses.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 13, 1999.*

IN SUPPORT OF HATE CRIMES LEGISLATION

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

Mr. CUMMINGS. Mr. Speaker, under the Violent Crime Control and Law Enforcement Act of 1994, Congress has defined a hate crime as ''any act of violence against a person or property based on the victim's race, color, gender, national origin, religion, sexual orientation or disability.''

I am here today, Mr. Speaker, to talk about the victims of hate crimes that provide a real-life definition.

James Byrd, Jr., an African-American male victim, chained to the back of a pickup truck and dragged along a dirt road, murdered by supporters of a white supremacist organization.

Thanh Mai, a Vietnamese-American victim who died from a split skull after being taunted and called a ''gook'' and struck to a cement floor.

A Latino-American family victimized by arsonists who burned down their home after spray-painting racist messages on the walls.

Women in Massachusetts victimized by a sexual batterer who was found to have violated the State's hate crime law for his biased crimes against women.

Jewish children victimized by shootings at their community center by a man who had connections to an anti-Semitic organization.

And today, we remember Matthew Shepard, a 21-year-old college student who was brutally and savagely beaten, strapped to a fence like an animal and left to die, all because of his sexual orientation.

These are only a few of the human faces that fell victim to intolerance, bias and bigotry. In fact, FBI statistics reveal that in 1997, a total of 8,049 biased motivated criminal incidents were reported. Of these incidents, 4,700 were motivated by racial bias, 1,400 by religious bias, 1,100 by sexual-orientation bias, 800 by ethnicity/national origin bias, and 12 by disability bias.

□ 1830

The number of incidents reported in my home State of Maryland was 335.

As we discuss this issue, I believe that there are two questions our Nation must answer: First, why should we care?

I submit to my colleagues today that we should care because our Nation was built on a foundation of democracy and independence for all. Our Declaration of Independence states that we hold these truths to be self-evident, that all men are created equal, and they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. We all take pride in these words, Mr. Speaker, but we all have a duty as American people to recognize this principle applies to all of our Nation's citizens regardless of their race or national origin, gender, sexual orientation, religion or disability status.

As cosponsor of the Celebrating One America resolution that this House passed today by unanimous consent sponsored by my good friend from New York (Mr. RANGEL), I believe that we should reach out across our differences in ethnicity, race and religion to respect each other and to celebrate in friendship our unity and one America. We must all remember that although we are a melting pot of various cultures, ideals and physical make-ups, we are all one human race.

As one 16 year-old recently wrote:

''He prayed, it wasn't my religion;
He ate, it wasn't what I ate;
He spoke, it wasn't my language;
He dressed, it wasn't what I wore;
He took my hand, it wasn't the color of mine;
But when he laughed, it was how I laugh, and when he cried, it was how I cry.''

The second question our Nation must answer is: How can we put an end to hate violence?

The American people must take action. A resolution will require a united and determined partnership of elected officials, law enforcement entities, businesses, community organizations, churches and religious organizations and schools.

Congress must also take action. Yes, statistics have shed light on the prevalence of hate crimes in our society, however hate crimes are often under reported. Although we gathered significant information as a result of the Hate Crimes Statistics Act, this act makes the reporting of hate crimes by State and local jurisdictions voluntary, leaving gaps in information from various jurisdictions.

As such, I call for immediate passage of the Hate Crime Prevention Act, and I ask that we all join together. But most significant, non action translates into silence, and as Martin Luther King stated, We will remember not the words of our enemies, but the silence of our friends.

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

(Mr. STRICKLAND addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MEEKS) is recognized for 5 minutes.

Mr. MEEKS of New York. Mr. Speaker, it is truly a sad occasion that as we are about to enter the next millennium that we do have to stand on the floor of the United States House of Representatives still asking that all people be treated fairly. I listened to the word of my colleague, the gentleman from Maryland (Mr. CUMMINGS), when he stated that this country was built upon the notion that all men are created equal. Unfortunately, I have to disagree with that because our history in this country shows that unfortunately we do not consider African Americans equal, we do not consider women equal, but we are learning, and we are moving. And it would be my hope that as we are about to enter to the next millennium, that we would understand the error of our ways, and move forward and let it be known that we understand the history, the true history, of this country, and we are going to rectify it and not allow those individuals who become victims of hate to continue to suffer. We in this House, Mr. Speaker, must send a loud and clear message that those who want to hate others because they are different than they, it will not be tolerated.

In my lifetime I have seen individuals lynched and no one called to justice. In my lifetime, and we are not talking about a long time ago, I have seen individuals spat upon because of a different sexual orientation. I wish that we did not have to be here, but in 1999, in 1998, we had incidences like James Byrd dragged to death in the back woods by three white supremacists. We had Matthew Sheppard brutally murdered by three young men who despised his sexual orientation. We had places of worship, three synagogues in Sacramento, destroyed by arson. African American churches throughout the south still burned down. Bomb threats, death threats to the Muslim community immediately following the Oklahoma bombings.

Tolerance is not in America yet.

All these situations have one thing in common. They were the results of hate crimes committed due to the ignorance and nontolerance of individuals.

This Nation has consistently prided itself on its acceptance of all people; at least, that is what we say. What we have an opportunity now to do is to put our actions behind our words, for words alone mean nothing. It is the action behind the words that give the words value.

We commend ourselves, and I can know, sitting in the House, we talk about all other countries we do not want to do business with because we say that they are human rights violations. Well, we must first make sure that we take care of our own family and make sure that we are standing on the proper moral ground to begin with because how can you condemn someone else when you are not standing strong to make sure that your own home is in the best of shape?

During the 1960's, for example, people of all colors, races and creeds came together to fight against the racial intolerance that was directed specifically that time against African Americans and other minorities, and as a result of that united effort, this body passed major legislation known as the Civil Rights Act as a statement and tried to put some teeth and power behind the words: All men; and we should say all men and women; are created equal.

It is now time for us to take an additional step in that direction by attaching the Hate Crimes Prevention Act to the Commerce, Justice and the State appropriations bill. This act will make the intent of Congress clear and will put power behind the words that we will not tolerate hate crimes.

In conclusion, Dr. King said:

Injustice anywhere is a threat to justice everywhere.

Let us make our voices loud and clear; let us put power behind our words.

ANNOUNCEMENT OF INTENTION TO OFFER A MOTION TO INSTRUCT CONFEREES ON H.R. 1501, JUVENILE JUSTICE REFORM ACT OF 1999

Ms. JACKSON-LEE of Texas. Mr. Speaker, pursuant to clause 7(c) of rule XXII, I hereby announce my intention to offer a motion to instruct conferees on H.R. 1501 tomorrow. The form of the motion is as follows:

I move that the managers on the part of the House at the conference on the disagreeing votes of the two houses on the Senate amendment to bill, H.R. 1501, be instructed to insist that the committee of conference should immediately have its first substantive meeting to offer amendments and motions including gun safety amendments and motions; and 2, the committee of conference report a conference substitute by October 20, the 6-month anniversary of the tragedy at Columbine High School in Littleton, Colorado, and with sufficient opportunity for both the House and the Senate to consider gun safety legislation prior to adjournment. H.R. 1501 is the Juvenile Justice Reform act of 1999.

The SPEAKER pro tempore. The form of the motion will appear in the RECORD.

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

(Mr. MOORE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PASS THE HATE CRIMES PREVENTION ACT AS QUICKLY AS POSSIBLE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 60 minutes as the designee of the minority leader.

Ms. STABENOW. Mr. Speaker, first, as we begin this evening, I want to associate myself with the comments of my colleagues this evening concerning Matthew Sheppard and all of those who have found themselves the victims of hate crimes and the great necessity to pass the Hate Crimes Prevention Act as quickly as possible.

This evening I am joining with colleagues to speak out in support of efforts to restore Medicare cuts that have been too deep and have gone on too long, and we have an opportunity in this session before we leave to fix it, and we need to do that as quickly as possible.

The Balanced Budget Act of 1997 included numerous cuts to Medicare payments, to health care providers, and the original intent was to slow the growth of the costs of Medicare by cutting approximately $115 billion over 5 years. Recently the Congressional Budget Office has projected, however, that Medicare spending has been reduced by almost twice that amount. Clearly Congress went too far.

These are not simply numbers that we are talking about. These are people, these are families, these are doctors and nurses trying to provide care,

home health care providers, nursing homes that are trying to provide care, hospitals, teaching hospitals that are trying to make ends meet with cuts from the Federal Government that have gone too far.

Earlier this year 80 Members of the House joined me in sending a letter to the President asking him that as he put together his Medicare reform package that he not choose to cut Medicare further. I am very pleased that he heard our message and that in fact he did not choose to cut Medicare further but instead proposed restoring $7 billion worth of cuts. That is a good first step, but it is not enough for us to be able to truly solve the problem that faces our health care providers across the country.

Many of us have cosponsored numerous bills that seek to resolve specific problems that have arisen with the balanced budget agreement. Just this year I have cosponsored 10 bills myself that cover specific issues ranging from hospital outpatient prospective payment systems to the $1,500 cap placed on therapy services. My colleagues joining me tonight are deeply concerned and involved in this issue.

The sheer number of bills alone that have been introduced and cosponsored by people on both sides of the aisle should send a strong message to the leadership that we need to act now. Time is running out. For too many time has already run out, and shame on us if we do not act now.

Just today key members of the Committee on Ways and Means and the Finance Committee on the Senate side have introduced marks for legislation to mark up future bills. I am pleased that Senator DASCHLE has introduced a comprehensive bill that addresses a number of the issues we will speak to this evening.

Tonight is our opportunity to outline our priorities for what this legislation should address. Solving the balanced budget agreement concerns involves dollars, Federal dollars, but as I indicated earlier, we have seen more than twice the amount cut that is necessary for Medicare's portion of the balanced budget agreement, and we are now facing surpluses, we are debating surpluses over the next 10 years. For many of us, we have been fighting to put Social Security and Medicare first. We have an opportunity to do that, and an important part of putting Medicare first is to restore the cuts that have been made and provide an opportunity for people to receive the health care that they need and deserve.

□ 1845

Tonight we are going to talk about real pain that real people are suffering as a result of the deep cuts.

Let me take just a moment in each of the three major areas and then ask my colleagues to respond as well. Let me speak to Michigan. I have had an opportunity to travel across Michigan speaking to hospital providers, nursing homes, home health care providers. Michigan hospitals alone are expected to bear between $2.5 and $3 billion, not million, billion dollars in cuts as a result of the balanced budget agreement. That is a 10 percent cut in their Medicare reimbursements since 1997.

Now, to put that in perspective, 10 percent of the Medicare services to hospitals are providing in-patient care, persons staying overnight. We are talking about a 10 percent cut that could wipe out in-patient care in Michigan. Michigan is already suffering. Schoolcraft Memorial in Manistique, Michigan is suffering devastating losses of the VBA and they recently made the painful decision to close their maternity ward. Now, this is an area where now women are going to have to travel at least 50 miles, travel about an hour in order to deliver their babies. What if there is an emergency? What if that hour is too late?

I have talked with hospitals in Marquette, Michigan in the upper peninsula; in northern Michigan, in my hometown in Sparrow Hospital and the Medical Regional Center and down in the metropolitan area of southeastern Michigan, Detroit Medical Center, Henry Ford Health Systems. In fact, Henry Ford Health Systems located in Detroit announced recently just last week, in fact, that 1,000 employees not directly involved in patient care will be asked to voluntarily retire or will be laid off. One thousand employees, and we have discussions of hospitals, whole hospitals closing.

What is it that we need for our hospitals? We need to repeal the balanced budget agreement transfer provisions. I have cosponsored with colleagues H.R. 405 that would repeal the transfer provision. Currently, hospitals are not discharging patients to nursing homes because the paperwork and regulations are just too difficult. Secondly, we need to limit the reductions for outpatient care. This is a number one concern for hospitals, and I am pleased to have cosponsored H.R. 2241 that would limit reductions to outpatient care.

We need to limit reductions for in-patient care as well, and I am pleased to have cosponsored H.R. 2266 with the gentlewoman from New York (Mrs. LOWEY) that would increase payments to hospitals for in-patient care. We need to provide more support for our rural hospitals in communities like Manistique that are feeling the need to close their facilities for delivering babies.

We need to increase Medicare's commitment to graduate medical education. Our esteemed colleague and ranking member on the Committee on Ways and Means, the gentleman from New York (Mr. RANGEL) has recognized the importance of this issue and I am pleased to be cosponsoring legislation, H.R. 1785, that would stabilize payments to hospitals for the indirect costs associated with graduate medical education.

In the areas of nursing homes, the major feature of the balanced budget agreement that has impacted skilled nursing facilities was the implementation of the Medicare perspective payment system for in-patient services and the establishment of caps on therapy services. The impact of these provisions could range from decisions by nursing homes to no longer provide services that are not adequately reimbursed to limiting the amount of services that a patient can receive. The prospective payment system has dramatically changed the way skilled nursing facilities approach Medicare patient admissions.

Now, skilled nursing facilities require more information prior to a Medicare admission because they have to assess the overall costs and compare that to the costs of reimbursement that they are receiving, and too many times this is keeping our frailest and sickest patients out of our nursing facilities.

The other obstacle to care that nursing facilities are facing is the arbitrary cap of $1,500 for therapy services. The Balanced Budget Act created a $1,500 cap for physical and speech therapy together, and another $1,500 cap for occupational therapy. These caps are way too severe. They are not allowing patients to receive the services that they need. Once the beneficiary reaches the cap, the nursing facilities must seek payment from the patient or decide whether or not to continue care. Our nursing homes need to lift the arbitrary therapy cap, and we need to reduce the cuts from the prospective payment services.

Finally, an area that has been hit extremely hard by the balanced budget agreement cuts, and that is the area of home health care. The Balanced Budget Agreement was expected to cut Medicare spending on home health by $16 billion, but earlier this year when CBO reestimated the Medicare budget baseline, that number had more than doubled. Right now, we are seeing Medicare payments to home health agencies reduced by over $48 billion. Not $16 billion, $48 billion. This is $32 billion more than Congress intended, and this needs to be addressed now. These numbers can be overwhelming when we look at what this means for patients.

Mr. Speaker, 28 agencies have closed in Michigan. Twenty-eight agencies have closed in Michigan, and over 2,400 agencies have closed nationally or have stopped providing service. I remember, Mr. Speaker, being on the floor a year ago, a number of us, working on this issue of home health care, organizing a national rally to address home health care cuts, and at that time we said there were 1,200 agencies that had closed and that if nothing was done, we would see that double. We do not want to be right about that, but in fact, it has doubled. I do not want to be here a year from now saying it has doubled again and people have lost their services and that families have found themselves in horrible situations as a result

of trying to care for a loved one at home or, at the same time, finding themselves in a situation where someone needs to be placed back into the hospital or in a nursing home when they could, in fact, be at home or be with loved ones.

We have numerous examples, and I know my colleagues will speak to this as well.

What do our home health agencies need? We need to first eliminate the 15 percent cut that is currently scheduled for next year, October 2000. We need to establish a payment system to cover what are called outliers or the costliest and most expensive patients that are difficult right now for home health agencies to serve as a result of the cuts. We need to provide overpayment relief. We need to revise the per-visit limits to at least 108 percent of the medium which is simply right now just too low to cover the sickest and the frailest patients. And, we need to develop an equitable perspective payment system for home health.

We can achieve these goals. We can fix this problem. We have in front of us an opportunity. We are talking about budget surpluses for the next 10 years, not budget deficits. We have people that are not receiving health care in a country with the greatest health care systems available in the world, and yet too many are not able to receive them. We can fix this, and I am pleased tonight to be here with my colleagues that are going to share as well in their thoughts as they relate to how this affects their States.

Let me first call on the gentleman from Illinois (Mr. DAVIS) who has been one of the leaders as well on this question of restoring Medicare cuts. I am so pleased the gentleman is here this evening.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentlewoman. Let me commend the gentlewoman for not only her leadership on this issue, but for the leadership that she has provided on a number of issues not only affecting your home State of Michigan, but actually affecting the lives of people all over America. I am indeed pleased and delighted to join with the gentlewoman tonight as we talk about this problem.

Mr. Speaker, the Balanced Budget Act of 1997 ushered in the largest cuts in Medicaid spending since 1981. Cuts estimated at $17 billion over five years, and $61.4 billion over 10 years. These cuts amount to and account for more than 9 percent of the supposed savings under the Balanced Budget Act. Two-thirds of the cuts in Medicaid are from reductions or limits on disproportionate share or additional reimbursements to hospitals. These are payments to hospitals serving a disproportionate share of low-income, Medicaid and uninsured patients. Ten-year cuts, $40.4 billion. Twenty percent of the reductions shift the cost of Medicaid deductibles and coinsurance while the very poor to physicians and other providers of care. Most of the remainder of the cuts come from the repeal of the Buyer amendment, requiring minimum payment guarantees for hospitals, nursing homes and community health centers. 10 years worth of cuts, $6.9 billion.

There were several other provisions which were particularly cruel. The phaseout of the health center cost reimbursement with 10-year cuts totaling $1.3 billion, and the counting of veterans' benefits as income with 10-year cuts totaling $200 million.

Mr. Speaker, as disastrous as these cuts are, they are not the end of the story, or even the worst of the story. The impact of the so-called Balanced Budget Amendment on Medicare has been even more staggering, and it is not an exaggeration to state that the long-term existence of Medicare is not guaranteed. The byzantine logic of the Balanced Budget Amendment extended the life of Medicare by slowing the rate of growth in Medicare's payments to providers and shifting some home health services out of Part A. But the Balanced Budget Amendment did nothing to fundamentally address the problem of insuring the health of future generations of seniors.

Medicare is based on the principle of spreading the risk for our seniors through a system of insurance funded through our tax system. Medicare has been one of the most successful Federal programs in our history. But now, Medicare faces new challenges, largely because we are living longer. By the year 2030, we expect that the number of beneficiaries will double, reaching a total of 76 million, or almost 20 percent of our population. This has raised questions about how will we continue to fund the program.

The Balanced Budget Amendment shortsightedly attempts to address the problem by saying that the government can no longer afford to pay for health care for our seniors. The implication is that our Nation can no longer afford health care for seniors and that they should be left to fend for themselves for that portion of health care no longer covered by Medicare.

Most Americans, though, reject such a notion. We reject the notion that the wealthiest Nation in the history of the world cannot take care of the health of its seniors. This is an affront to those who have worked all of their lives. It is also not based on fiscal reality. By undermining the concept of a universal insurance pool for all seniors, these cuts actually will increase the inequities and costs in the system. The so-called unrestricted fee-for-service plan which removed the cap on what providers are allowed to charge and the Kyl amendment, which would allow providers to contract directly for services outside Medicare are direct attacks on the concept of a common insurance pool.

□ 1900

While we debate the future of Medicare, and I would note that a one-half of 1 percent increase in the payroll tax would extend the Medicare program another generation to the year 2032, but we have turned away from real solutions and the impact of our hospitals is exploding like a bombshell.

The 5-year impact of the balanced budget amendment will amount to $2.7 billion. Large urban hospitals will absorb more than $2 billion of those cuts in the State of Illinois alone.

The State of Illinois has 20 congressional districts. Thus, each district accounts for 5 percent of Illinois' population. However, my district, the 7th District, will absorb $468 million of the Medicare cuts. That is 16.9 percent of all the cuts in the State. Over the next 5 years, in my district, hospitals will absorb cuts that are equivalent to more than 75 percent of their 1997 base year Medicare payments, and tertiary teaching hospitals will absorb more than a billion dollars in cuts over the 5-year period.

So, I would say to the gentlewoman from Michigan (Ms. STABENOW), this problem exists all over America and as we move towards finding a solution, the solutions that the gentlewoman has articulated, the legislation that she and others of us have cosponsored, provides a tremendous opportunity to move ahead and arrive at real solutions to these problems.

So, again, I commend the gentlewoman for the leadership that she has shown, for bringing us here this evening to discuss this issue, and I trust that America will follow the lead of the gentlewoman and help us find solutions to this very serious problem, and I thank the gentlewoman.

Ms. STABENOW. Mr. Speaker, I thank the gentleman from Illinois (Mr. DAVIS) for his comments. I know that his State of Illinois is not unlike Michigan and all of us across the country right now are having those conversations with our hospitals and our nursing homes and home health facilities, and most importantly with our families that are represented and served by those providers who want to serve them, who are quality facilities but are finding themselves in very difficult situations as a result of the Congress. We can change that. It is up to us and it is long overdue.

I would like now to call on another colleague of mine from Illinois. Illinois is filled with wonderful leadership and I am so pleased to have a Member who has come to this body in her first term and has become an instant leader on a number of issues, the gentlewoman from Illinois (Ms. SCHAKOWSKY), who is here with us this evening to speak as well.

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentlewoman from Michigan (Ms. STABENOW) for yielding me this time. I would like to thank the gentlewoman from Michigan for her tireless work on this important issue and for organizing this discussion tonight and also to associate myself with the comments of my colleague from Illinois.

Recently, I joined him some days ago, speaking out on the need to restore payments for hospitals, particularly those hospitals that serve a disproportionate number of uninsured and poorly insured patients, and those that train medical professionals.

Unless we act now, Illinois hospitals and hospitals across the country will have insufficient resources to provide the quality and timely care that our constituents deserve.

I also wanted to say that there was a recent report by George Washington University researchers Barbara Smith, Kathleen Maloy and Daniel Hawkins which provides a clear warning signal that home health services are also threatened by the cuts that the balanced budget amendment had. Three million acutely and chronically ill senior citizens and Medicare beneficiaries with disabilities are depending on home health care services.

Hospital stays are getting shorter. More and more Medicare patients are being sent home with ongoing medical needs. In many cases, home health services, if available and appropriate, are cost effective substitutes for hospital and nursing home care. Despite the overwhelming and growing need for quality home services, the George Washington University study demonstrates that the interim payment system required by the balanced budget amendment is having adverse impacts. Because of cost constraints, the majority of home health agencies have already changed their case mix. They are looking for patients with less complex and less expensive problems, and they are avoiding patients that have more complicated and more expensive needs. In other words, those people who are most in need of home health services are most at risk of losing them.

The study concluded that in reaction to patient cuts, home health services are cutting staff but not just the administrative staff but specialists, such as occupational and speech therapists and, again, quality care is being compromised. Those payment cuts are having a serious effect on patients, and they are also costly. Evidence is mounting that without adequate home care more Medicare patients are being readmitted to hospitals and nursing homes, adding to health care costs. Clearly, we need to act now to restore home health service payments to adequate levels.

Before I conclude, I want to talk a little bit about the effect of payment cuts on hospice care. Many of us have had the experience of caring for a loved one who is terminally ill. My beloved father, Irwin Danoff, lived with me and my husband until he died in 1997, and we were fortunate enough to have hospice care provided by the wonderful people at the Palliative Care Center of the North Shore.

At a time of great need, hospice provided medical care and medical devices but so much more; the comfort, the dignity, the support and the respect not only for him but for our family as well. Half a million patients a year depend on hospice care. Since 1982, when the benefit was initiated, millions of patients have been able to die in dignity and in comfort because of hospice. Unless we act now to provide for payments, patients and families may be unable to get the care and support they need.

The hospice rate per day is supposed to cover all the costs related to terminal illness, including physicians, oversight services, counseling, prescription drugs, home health aides. It allows hospice providers to provide coordinated care and keeps patients and families from having to deal with multiple providers, at such an extremely critical and emotionally draining time. I speak from experience.

The plain facts are that the hospice daily rate has not kept pace with the cost of providing the hospice service. We believe that terminally ill patients should receive pain medication and pain management, which is what my father needed, to make sure that their final days are not days of agony. In 1982, when the hospice benefit began, it assumed the drug cost would account for 3 percent of the daily rate. In today's dollars, that equals about $2.50 a day for pain medication, and that is just inadequate. In fact, on average the cost of providing drugs to hospice patients is between $12 and $14 a day. Some drugs may cost $36 a dose, like Duragesic, a pain relief drug, or Zofran, an effective anti-nausea drug. It costs $100 a day, but if a person needs it, they need it.

The resources are needed to make sure that with new technologies available to treat acute pain symptoms that those technologies actually get to those who need them. Not only does hospice make sense for patients, it makes sense for Medicare as a whole because it is such a cost effective way of providing care.

A 1995 Lewin study found, for example, that every dollar spent on hospice actually saves $1.52 in Medicare dollars that would otherwise be spent. I hope that we will act to provide adequate hospice payments. The first step would be to ensure that hospice providers receive their full Medicare update so that payments more accurately reflect actual costs. It is the compassionate thing to do. It is the medically appropriate thing to do. It is the right thing to do.

Again, I want to thank my colleague, the gentlewoman from Michigan (Ms. STABENOW), for organizing this discussion.

Ms. STABENOW. Mr. Speaker, I also thank the gentlewoman from Illinois (Ms. SCHAKOWSKY) for her comments. I am so pleased that she raised hospice. That is such an important service. In Michigan, I was pleased as a member of the State House of Representatives to help pass the law that we now have on the books in Michigan, and I know for my own family as well that hospice has been a very important service. When we look at all of these issues, it is the continuum of care we are talking about. Unfortunately, when we are not adequately funding one area it just moves over into the next. So we need to look at this comprehensively on behalf of families.

It is now my pleasure to turn to the gentleman from Massachusetts (Mr. MCGOVERN), who is a sponsor of H.R. 1917. The gentleman from Massachusetts (Mr. MCGOVERN) and I have been working together on this issue it seems like for a long time, too long, and I know that he is deeply involved and cares passionately about this, and I want to thank the gentleman for his leadership. He has been there since the beginning when we have been trying to resolve the issues, particularly around home health care. I want to thank the gentleman for his leadership.

Mr. MCGOVERN. Mr. Speaker, I appreciate those comments and I too want to commend the gentlewoman from Michigan (Ms. STABENOW) for her leadership and for her commitment on health care issues. I do not know anybody in this Congress who has fought harder for the rights of patients or for quality care for all more than she has. She really has done a great job not only for the people of Michigan but for the people of this country and I am really proud to be part of this special order tonight with her to talk about what we need to do to correct some of the imbalances in the Balanced Budget Act and how we can make sure the people get the quality health care that they deserve in this country.

Let me begin by saying that, in my opinion, Congress made a mistake back in 1997 when we passed the Balanced Budget Act. I voted against the Balanced Budget Act back then because I thought the cuts in Medicare were too deep, were too drastic, but I did not realize then and I do not think the most ardent supporters of the Balanced Budget Act realized then, that the cuts would be as deep or as drastic as they have turned out to be.

As has been pointed out, CBO has analyzed that the cuts are about $200 billion more than anticipated. That is a lot of money, even by today's standards. That means that hospitals and home health care agencies and other health services are being cut by $200 billion more than Congress even anticipated those cuts to be.

I think part of our job as legislators is to fix what is wrong. Even if we pass something that, with good intentions, if we look back on it and realize that mistakes were made we have to have the courage and we have to have the fortitude to fix it. I think this is one such case.

Now, there is not a person in this House who has not met with hospitals in their districts, who has not met with home health care agencies in their district or visiting nurse associations or people who run hospice centers or nurses or doctors or patients who have

not complained about these cuts in the Balanced Budget Act.

In my State of Massachusetts hospitals will lose $1.7 billion over 5 years. That is a pretty hefty amount of money. The bad news is that they have yet to face 90 percent of the cuts. The worst is yet to come.

I have hospitals in my district, teaching hospitals and community hospitals, that are very good, that really I think are models of efficiency, that provide good quality care to the people who utilize them. They are getting frustrated with the remarks that come out of Washington that they just need to trim the fat a little bit more and everything will be okay. Well, to those who say that hospitals need to trim more fat, I would invite them to my district to tour through some of the hospitals that are located in my district and they will realize that there is no more fat to trim.

In fact, what hospitals are cutting back on now are programs that benefit the elderly, that benefit children, that benefit the neediest people in our communities. What hospitals are doing now is they are cutting back on their nursing staff. I was recently visited by a CEO of one of my hospitals who told me he used to make it a practice over the years to visit the various floors in his hospitals and talk to the nurses and try to find out what he needed to do to make their jobs easier, what he needed to do to make the quality of care provided to patients better.

□ 1915

He says that recently because of the cutbacks when he goes by and tries to talk to the nurses, they do not have time to talk to them. They are so overwhelmed, they are so overburdened with the patients because they are so short staffed that they do not have the time to talk to him anymore.

What is happening is that the quality of care that this hospital and other hospitals used to provide to patients is suffering. Nurses are doing a great job. They are doing an incredible job. But in too many hospitals, in too many health care facilities, they are being overworked. That is happening because of what we have done in this Congress, and we need to fix it. Again, it is not just teaching hospitals, it is community hospitals. Hospitals all across the country are paying a price.

Now, we also have a problem with home health care agencies. As the gentlewoman from Michigan (Ms. STABENOW) pointed out, we have been working on this issue since 1997.

Home health care was a wonderful phenomena. It allows families to stay together. If a loved one is sick, in the old days, before home health care, one would end up having to put that loved one into a long-term nursing care facility, because one was just incapable of being able to care for that person at home.

Home health care agencies or visiting nurse associations across the country have arisen, and they have allowed families to stay together. They have done so in a way that I think is very cost efficient.

Now, because of the cutbacks in the balanced budget act, in Massachusetts, since 1997, over 20 agencies have closed. When an agency closes, that means that that person, who used to rely on that agency for home health care, has to try to find another agency to provide the home health care; and, oftentimes, they cannot do it.

Oftentimes, they may be the sickest of patients, and they can have a difficult time trying to find another agency who will want to pick them up. Therefore, they are then forced to deal with the reality that they have to go into a long-term nursing care facility.

To those who think we are saving money, the reality is we are not. It is a heck of a lot cheaper to provide somebody home health care every single day of the week than it is to force that person into a long-term nursing care facility.

So what we are doing here in Congress really is not controlling health care costs. What we are doing is actually inflating health care cost because the cost to care for these people is going to increase, not decrease.

I will say one other thing. If we do not fix this problem now, the governors of our States across this country are going to realize that Congress had just handed them a big unfunded mandate on their States, because when somebody goes into a long-term nursing care facility, that is funded mostly by Medicaid, and the States pay a large portion of that.

So when the governors of this country start to realize that their State budgets are going to have to take more and more of their resources and put it into Medicaid to pay for what is happening, and that is people going from homes into long-term nursing care facilities, we are going to see the switchboard up here on the Capitol light up, and justifiably so.

We should not be passing these costs on to the States. It is not fair. Every cost we pass on to the States means the States are going to have less money for education, less money for transportation, less money for the environment. It is simply wrong, and we need to do something about it.

I have introduced a bill, as the gentlewoman from Michigan pointed out, H.R. 1917, the Home Health Care Access Preservation Act, that would deal with providing coverage for the sickest patients, the so-called outliers, the patients that tend to be the most costly. We do not want those people to fall through the cracks.

This is a modest step to try to help deal with some of the adverse impacts of the Balanced Budget Act with regard to home health care. I hope that this Congress will act on it. We have over 100 cosponsors. It is a bipartisan list of cosponsors. We need to do something about that, and we need to do something now.

I will conclude here by simply posing a question as to whether or not we have the political will to fix this problem. We certainly have the resources. We certainly have the money. As the gentlewoman from Michigan pointed out, we are not dealing with deficits in 1999. We are dealing with surpluses.

The question is: What are our political priorities? Do we want to make sure that hospitals have necessary funding? Do we want to make sure that home health care agencies do not close? Do we want to make sure that hospices are adequately funded to make sure that health care facilities have the funds to be able to employ enough nurses and enough doctors?

If that is our priority, then we are going to act, and we are going to make sure that we have a budget that fixes some of the problems as a result of the Balanced Budget Act.

The other question is: Will the Republican leadership of this Congress allow us to fix some of the mistakes that were made in the Balanced Budget Act? Will they allow us to bring legislation to the floor? Will they allow us to have input on the budget so we can actually fix this problem? Or is it going to be business as usual? Are we going to let this thing just pass and more people will suffer as a result of it?

Make no mistake about it, if we do not fix this, we are going to see more and more hospitals close. When a hospital closes in the community, it is not easy for the people of that community. It is not easy just to go to the next hospital, because the next hospital may be several miles away.

When a home health care agency closes in an area, that means that people are going to lose their home health care and be forced with the difficult question as to whether or not to have to enter long-term nursing care.

When patients are denied care, when programs are closed, people suffer. I think that all of us in this Congress have heard loud and clear from our constituents all across this country about what the adverse impacts of this Balanced Budget Act have been. I think we have an obligation, we have a moral duty to fix it. We have an opportunity now to fix the inadequacies of the Balanced Budget Act. I hope that we do it.

I will be working and fighting alongside the gentlewoman from Michigan (Ms. STABENOW) who I know will be out there leading the fight, as she always has, to make sure that people get the quality care that they deserve. I again just want to thank her for all the wonderful work that she has done. Again, I meant it when I said it in the beginning, that I do not know of anybody in this Congress who has fought longer and harder for good quality health care for people than she has. I am proud to be here with her today.

Ms. STABENOW. Mr. Speaker, I thank the gentleman from Massachusetts. He is absolutely correct. This is a question of priorities. This is about

our deciding what the priorities for the country are.

I remember a few months ago when colleagues in this House and Senate in the majority felt that the priority was a tax cut, a tax cut that was geared to the top 1 percent wealthiest individuals in the country, and they were able to pass a tax cut that took basically all of the on-budget surplus, almost $800 billion, much more than we are talking about here.

We are talking about less than a tenth of that, few percentage points of that to help with Medicare so that people have health care that they need when they need it. So the priority was to do that. The President said no. He vetoed that.

We now have an opportunity to come back and do what I know the gentleman from Massachusetts (Mr. MCGOVERN) and I have been saying all along, which is put Social Security and Medicare first. The first step with Medicare is to restore the cuts. We have to do that so that we can then go on to strengthen it.

I often think about the fact that, in my mind, Social Security and Medicare are great American success stories. Prior to Social Security, half of the American seniors were in poverty. Today, it is less than 11 percent. Prior to Medicare being enacted in 1965, half the seniors could not purchase insurance, could not get health insurance.

Today one of the great things about our country is that, if one is 65 years of age, one knows, or if one is disabled, one knows that one is able to have basic health care provided to one in this country. This is something we should be proud of. I do not understand why it is now, when we are faced with the opportunity to decide what our American priorities are for the next 10 years, why we are fighting with the majority to restore what everyone agrees were cuts that went too far.

Mr. MCGOVERN. Mr. Speaker, I just want to echo what the gentlewoman from Michigan has just said. When I go around to my district, what people are talking about is, not tax cuts for the wealthy, but they are talking about good quality health care for all. They are talking about expanding Medicare, which I have yet to find anybody who thinks that Medicare is a bad idea. Everybody in my district thinks it is a great idea. It is one of the most successful social programs in the history of this country. They want to expand Medicare to provide a prescription drug benefit. They would rather have a prescription drug benefit than see Donald Trump get a tax cut.

Those are the choices we are faced with right now. We have a surplus, as the gentlewoman pointed out. The resources are there. Are we going to take that surplus, invest it in Social Security, invest it in Medicare, make sure that hospitals have the funding that they need, make sure that we have enough nurses and doctors, make sure that our home health care agencies can stay strong, make sure that there is a prescription drug benefit for all Medicare eligible senior citizens? Are we going to do that, or are we going to blow this opportunity?

We have a moment in our history where, because of a good economy, we have this surplus. If we cannot fix these problems now, if we cannot extend some of these benefits now, then when will we be able to do it?

Ms. STABENOW. Mr. Speaker, I totally agree. I would much rather be here, as I know the gentleman from Massachusetts would, talking about how we modernize Medicare with the prescription drug coverage than to say that we are here having to talk about restoration of cuts or hospitals closing, literally closing.

I do not think there is yet a total understanding of the depth of the cuts and the suffering and the struggle that is going on today; whole hospitals closing or maternity wards closing or home health agencies.

A wonderful agency that I have worked with in Brighton, Michigan, the first time I visited there, it was two floors with nurses, home health providers on two floors that were serving people in Livingston County. I went back after the BBA was enacted. It is now one floor. The other floor is totally empty.

What does that mean? That means those home health nurses, those individuals that were providing care to people in their homes are no longer available there to do that. It also means job loss. We are talking about supporting small business.

When a hospital closes, when Henry Ford Health Systems has to lay off or early retire 1,000 people, those people are caring for their families. We are not just talking about the care, we are talking about jobs, incomes, the ability of people to care for their own families. So this is serious.

My concern is that we have a very short window of opportunity now to fix this, 3 weeks, 4 weeks possibly, certainly just a matter of weeks. We know there are bills that have been introduced. There are people that are talking about the issue. We need to get beyond the talk. The gentleman from Massachusetts and I have been talking about this for a long time. It is now time to do something about it.

Mr. MCGOVERN. Absolutely. Mr. Speaker, one thing I hope that we do in this Congress is, not simply pass sense of Congress resolutions to say that we feel your pain, I hope we pass legislation that has some teeth in it, that actually puts some of the money back into hospitals and health care in this country.

People are suffering all over this country because of these cuts. And we have an obligation in this Congress to fix the problem and to take some of these resources that have been generated by a strong economy, that have produced this surplus, and put it back into health care to make sure that people have the very best health care in the world.

I mean, this is the United States. We have the finest health care technology, the best doctors, the best nurses, the best facilities in the world. The problem is that a lot of people cannot take advantage of them because they do not have the resources or the money to do so.

The gentlewoman from Michigan has heard from her constituents. I have heard from my constituents. People come into my office because their loved one has just lost their home health care or because their HMO will not reimburse a particular service that they had done because they are being told because Medicare reimbursements or because of caps on therapy, because of programs that hospitals have that are being cut off.

I mean, it is painful to watch as people come into our office and tell us these sad stories. But what is more frustrating than listening to these stories is the fact of knowing that we have the ability to fix this, and so far we have not done it.

I think we just need to keep the pressure on, and I hope that the people who are watching will keep the pressure on, because we have an opportunity to, right now. This budget deal should not go through unless there are some real fixes in there for hospitals. We are going to do a weekend here to fight the good fight.

I again thank the gentlewoman for this special order and for all of her great efforts.

Ms. STABENOW. Mr. Speaker, let me just say in conclusion as well, I again thank the gentleman from Massachusetts (Mr. MCGOVERN). I thank my other colleagues. To those that are having the opportunity to listen this evening, I would hope that they would pick up the phone and call their Representative, call their Senator, be involved, e-mail, mailings, whatever means they have of communicating. Now is the time to do that.

□ 1930

We do have the best health care system in the world. But right now we are in a situation where we are jeopardizing people's health, people's quality of life, and in many cases, unfortunately, their lives. And it is not necessary. This is fixable. We can do something about it. Medicare works. It is a great American success story. We need to make sure we keep it that way.

FEDERAL GOVERNMENT BALANCES BUDGET WITHOUT DIPPING INTO SOCIAL SECURITY

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHAFFER. Mr. Speaker, this evening I will lead a special order on behalf of the leadership of the majority party. Our focus tonight is to talk

about a number of remarkable events that have occurred today, not the least of which was the announcement that the Federal Government has in fact balanced its budget for 1999 and it appears to have done so without dipping into Social Security at all.

This is a long-standing goal of the Republican party and one goal to which we are exceedingly proud to represent.

But before I get into that subject, I want to yield the floor to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Speaker, I thank the gentleman for yielding. I do plan to participate in part of his discussion. But before we get into that, I just wanted to respond to the comments of the previous speakers on the issue that was being discussed and just give some additional comments.

Today, the gentleman from California (Mr. THOMAS) had a press conference at which he announced the development of a bill dealing with the Medicare issue and which the amount of money to be appropriated as well as administrative actions we are requesting be taken from the President will resolve the problem and will deal with all the issues and problems that were mentioned by the preceding two speakers.

I also want to clarify, as Paul Harvey says, to give the whole story; and that is that many of the points that they were belaboring the Republican party for are in fact a direct result of the actions of the President and of his employees, particularly those at the Health Care Financing Administration. They have cut far more deeply than the legislation the Republicans got through asked them to do.

As a result of that, the home health care agencies are severely in trouble, the rural hospitals and skilled nursing units are also in trouble, and even the major city hospitals are in trouble.

The other factor that should be mentioned is that the President, who does have the responsibility for this and who has criticized us for not acting on this, has not come to the Congress with any suggestions of how to deal with it and has not initiated any actions as a result of the problem, although much of it he could do administratively through requests directed to the Health Care Financing Administration.

So there is more to the story than was explained in the last 60 minutes, and I just want to make sure everyone in the House and in the Congress, as well as in our Nation, is aware of the fact. It is a broader story. The President has not acted as we think he should have.

Furthermore, the Health Care Financing Administration has cut more severely than the Congress intended; and Congress has taken action and will conduct a hearing on that, in fact, and final action on the bill in committee this week to ensure that the additional funds will be allocated for hospitals, skilled nursing units, and for home health care. We hope this will go a long way toward resolving the problem.

Mr. SCHAFFER. Mr. Speaker, reclaiming my time, I look forward to the return of the gentleman to continue discussing some additional topics.

Again, I want to go back to the news that was revealed here in Washington today. In fact, I brought with me a copy of the New York Times. This is an article that my colleagues would find if they ventured back to page 18–A. It is kind of remarkable, I point that out, because this is a landmark announcement and many in the media are hoping that this kind of news remains buried in the back of newspapers.

In fact, if my colleagues look this up on the New York Times website, they find it even deeper into the paper. But I wanted to bring it on the floor today and magnify the impact of the article to show the impact and how big this really is.

Yesterday, the Congressional Budget Office announced that the Government may have balanced the budget in fiscal year 1999 without spending Social Security money.

Now, that is a remarkable accomplishment. There still remains some additional accounting that needs to come forward as we shore up those numbers. But as of yesterday, it appears that we balanced the budget in 1999 without dipping into the Social Security Trust Fund.

Now, I just cannot overstate at all the magnitude of this announcement and how important this is. When the Republicans took over the United States Congress back in 1994, they pledged to balance the budget by the year 2002; and that seemed at the time to be a reasonable time frame to get to the point of balancing the budget. It was misrepresented by many.

In fact, if my colleagues remember some of the rhetoric coming out the White House and from some of our friends on the left side of the aisle, they claim that balancing the budget would represent some kind of undue hardship on the American people, that balancing the budget entails drastic and dramatic cuts in Federal programs.

If my colleagues remember, they talked about the notion that we would see seniors out on the streets and we would see children who would be denied meals and things of that sort and opportunity for education. But balancing the budget really did not entail dramatic cuts in spending. It did entail reductions in the overall growth of Federal spending over a certain time frame, and we did that to the extent that we allowed the American economy to catch up with Washington's spending habits by changing the appetite in Congress to spend and spend and spend and to reform the attitude that used to be very prevalent here to one of frugality.

We allowed the American people to catch up with the spending in Washington, and it resulted in a balanced budget not on target for the year 2002 but a full 4 years ahead of schedule and in fact in 1999 balanced without dipping into the Social Security revenues. Again, a remarkable success.

I will tell my colleagues how remarkable it really is. If we look at what Congress projected back in January of 1995, here is where we saw the Social Security deficit projections at that point in time.

In 1995, we expected that in 1999 we may be seeing a $90-billion deficit in Social Security projections for this year for 1999. We beat those odds. We, in fact, managed not only to balance the budget but to exercise the kind of regulatory restraint and concern for tax relief that really stimulated economic growth throughout the country that allowed the American people to beat those numbers, to beat those progressions from back there in 1995, to do it in a way that allowed us to balance the budget in 1999, without dipping into Social Security.

Once again, the article that we find in the New York Times and elsewhere around the country this morning is one that I really hope the American people have an opportunity to evaluate and to consider. Because what this article tells us, Mr. Speaker, is that we are far ahead of schedule, we are far further along at this point in time than the American people ever gave us credit for when we took over the Congress.

This is an example of the Congress under promising and over delivering. And I just cannot help but to remind the House one more time that that promise that I described as under promising was made back in 1994 to balance the budget by 2002 at the time seemed like it was insurmountable.

In fact, there is a quote in the article from an individual named Robert Reischauer. He is the Director of the Budget Office or was from 1989 to 1995. Listen to what he says. He says, ''If any budget expert told you in 1997 that we would have balanced the budget in 1999, that person would have been committed to an asylum.''

Now, that is said with tongue in cheek certainly, but I think it shows the drama of how Washington has just been rocked by this particular announcement and decision.

We have moved forward with a plan to try to stop the President's raid on Social Security. The President proposed when he stood here at the rostrum just at the beginning of the year to deliver a State of the Union address and laid out a plan to once again dip into the Social Security revenues to balance the budget for this year. He moved forward on his plan and his party's plan to move forward to a balanced budget, again dipping into the Social Security program in order to accomplish that.

Well, the Congress has a very different message for the President, and that is we do not need to dip into the Social Security Trust Fund any longer. We should stop the White House raid

on the Social Security Trust Fund and we should move forward on a better plan to allow Congress to balance the budget and live within its means without robbing the security of current retirees and future generations.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. EHLERS) who has returned and joined us again.

Mr. EHLERS. Mr. Speaker, I thank the gentleman for yielding. I would like to make a few additional points.

First all, we talked in the past year about the tax cuts and the need to give money back to our citizens if we have a surplus. But let me point out to my colleagues how the citizens of our country are getting more money back than we could give them through a tax cut.

Now, how could that possibly be? The point is simple. When I came here in late 1993, early 1994, we were running at an annual deficit of over $300 billion per year. We were going in the hole that much every year, using every penny I might add of the Social Security surplus. And then in the space of a short time, 5 years, we have changed that. And instead of a $300-billion deficit way done here, we are now up to over a $100-billion surplus. This is a $400-billion difference.

Now, why does this help the people? It helps them in a lot of ways. First of all, we do not have as much interest to pay as we would have otherwise. But more directly, every economist I have talked to says, because we are not out there as a Government borrowing these huge amounts of money, the interest rates will go down and their estimate is the interest rate has dropped between one percent and two percent simply because we have balanced the budget and we have a surplus instead of the deficit.

Now, how does that affect the average citizen? Just think about that for a moment. If the interest rates, just averaging the numbers they have given, is about 1½ percent lower, and recognizing that the average American home is worth $100,000 and so people have gone on to get a mortgage of roughly that amount for their first home on a $100,000 mortgage, a 1½ percent difference in interest rates means they are saving $1,500 per family, just on the mortgage every year, they are saving $1,500 a year because they have a lower interest rate on their mortgage.

That is astounding. That is bigger than any tax cut we talked about giving them, even though we had proposed a very healthy tax cut in the Republican tax cut proposal. But we actually have given them more money back already just by balancing the budget and having a surplus because it has affected the economy. And this applies to purchases of cars, credit card debt, anything of that sort.

So the average American is saving a lot of money just because we have balanced the budget, and that is very important to remember.

The other point I would make about the comment from the gentleman from Colorado (Mr. SCHAFFER), and he has hit it right on the nose, once again, it amuses me, a couple of months ago we were being wrongly criticized by the folks on other side of the aisle that Republicans were raiding Social Security of all things. How could we do that? That was terrible. And even my Republican colleagues are starting to feel bad about this. Are we really doing that? We must not do that.

So I got up and spoke at the Republican Conference a few weeks ago and said, hey, folks, remember, we may possibly dip into the Social Security reserve just a little bit yet this year and not do it next year, but I do not think we will even have to do that. But remember that the last several years the Democrats have not just dipped into it, they have run off with the whole pot. They have spent every single cent of the Social Security reserve for the past few years.

Now, that is intolerable and it certainly means that they cannot criticize us for any actions we take in that regard this year but, rather, should thank us and congratulate us because we are determined not to touch this Social Security surplus, which is generated because people are paying more into Social Security than is currently be being taken out. And that money has to be saved for the future when the current people paying it in will retire and need their money back.

Mr. SCHAFFER. Mr. Speaker, this Congress has not balanced the budget without dipping into Social Security since 1960. We have to go back almost 40 years to find a schedule when the Congress acted in a way that honored and respected the full intent of Social Security and did not use the trust fund as some kind of a slush fund.

□ 1945

You have to go back quite a long ways. In the ensuing 40 years that the other party, the Democrat Party has run this Congress, their record and legacy to the American people has been a perpetual use and abuse of the Social Security trust fund by year after year after year dipping into that trust fund in order to pay for the wants and desires of people here in Washington, D.C. It is a great day when we are able to turn the tables, turn things around and go back to the ways the Congress used to run the budget, and, that is, to pay for the things that government wants to spend with the dollars that are on hand today and not borrow and raid the Social Security trust fund.

Mr. EHLERS. Just a brief comment on that, and a slight correction, but the correction is to make a point. There were several years in the late 1970s when Congress did not take anything out of the Social Security surplus. The reason for that is that there was no Social Security surplus. So what did they do? They still overspent but added it to the national debt. If you wonder why we have an almost $6 trillion national debt at this point, you can recognize what happened in those years. You just look to it, and see that they just kept the spending on and added it to the national debt. I do not want to imply that you are wrong in any way, but the point is simply they could not take any in those few years because there was not any. It was about 6 years longer.

Mr. SCHAFFER. I appreciate the gentleman making that correction.

I yield to the gentleman from Montana.

Mr. HILL of Montana. I thank the gentleman from Colorado for yielding. I just want to reiterate the point that for 40 years when the other party controlled the House of Representatives, not one penny was set aside for the future of Social Security. When there were surpluses, they were spent. Obviously one of the reasons that there were increases in Social Security taxes is because the surpluses were spent and eventually went into deficit which incidentally is what the problem is. One of the problems that we are facing is that sometime around 2014, 2015, there are not going to be Social Security surpluses again. The account will go into deficit. That is, the taxes going in will not be enough to pay the benefits going out. If we do not set aside the surpluses now, those extra dollars that are being paid in, the excess Social Security taxes, if we do not lock them away now for that purpose, then we are going to be faced with the kind of choices which were faced in the early 1980s which are massive tax increases or cut in benefits. In fact, what the trustees of Social Security say is that it is going to be a 25 percent reduction in benefits or a one-third increase in the taxes in order to keep it solvent. That is why maintaining the discipline that got us to this point is so important.

I just want to point out a couple of things that I think kind of have been forgotten, I think many of my colleagues have forgotten, because it is a whole host of policies that were implemented with the new majority. When the new majority, when Republicans took over the House, let me remind you where we were. We had skyrocketing debt. Medicare was on the verge of bankruptcy. Social Security was facing bankruptcy. We were swimming in red ink. We had a record tax increase. If you recall in 1993, President Clinton and Democrats passed the largest tax increase in the history of the country. So when Republicans got elected to Congress, what did we do? We said, ''First of all, we have got to reform government.'' We said, ''Let's reform welfare.'' That helps us two ways. One, it can reduce the burden on the budget, but the other thing is that when people are working and paying taxes, they are adding to the equation rather than taking from the equation. We said, ''Let's shift power to the States,'' give States the authority to run programs more efficiently and use

that money better to get more done. We did that. We said we would balance the budget. How would we do that? We said rather than balancing the budget the way the President proposed, by raising taxes, we were going to do it by constraining spending. And, in fact, we eventually lowered taxes.

And so we saved Medicare from insolvency. People forget that just 3 years ago, we were facing the insolvency of Medicare this year or next year. Now it appears as though Medicare is going to be solvent well into the next century, sometime around 2015, without any changes, and certainly we can make changes to extend that further. It makes me breathless to think of how much we have accomplished in 3 years or 4 years of a Republican Congress. But there is more to do. If we are really going to save Social Security, if we are going to make changes to Medicare that we know that need to be made, we have got to maintain the spending discipline.

If you think about it, and I thought about this, on every single appropriation bill that we passed, the leading Democrat on the Committee on Appropriations has come to the floor and he has made the following statement: ''This is a great bill; it just doesn't spend enough money.'' The problem is that we have spent all the money that there is, all the surplus there is except Social Security. If we are going to spend anything more than what we propose to spend, it is going to start the raid on Social Security again. That is where we have to maintain the discipline. We have to maintain the discipline on the rate of growth of spending if we are going to maintain this balanced budget and if we are going to save Social Security for the long term.

Mr. SCHAFFER. The Democrats on the other side of the aisle like to accuse Republicans, particularly in this Congress have engaged in what they call a do-nothing Congress. I guess if you evaluate progress in Washington based on their standards, we may be guilty of that because their standards involve creating new programs, building new government regulatory structures, manipulating a tax code which usually results in taking more money from the American people and bringing it here to Washington. I am not making this up. They have a 40-year record of coming to this floor and solving every problem in America by creating new programs, new government, new bureaucratic structure, new rules, new regulations, new laws, new taxes, new ways to spend it. That seemed like real progress to them. The result is trillions of dollars in debt and overexpenditures.

So while we have been accused of being a do-nothing Congress, I think the record is quite the opposite and now we are starting to see the fruits of that quiet, behind-the-scenes labor that we have been involved in day after day after day. The results are we got government out of the way in many areas where business is concerned and job creation and wealth creation and economic growth, we lowered the tax burden on the American people, we allowed the American people through the power and economic strength of a free market capitalistic system that the United States represents to create more wealth in America, to catch up with Washington, D.C., to surpass where we were in 1999 in spending to allow us to begin to pay down the debt quicker, to allow us to focus on tax relief that will enable us ultimately to stimulate economic growth even further, to put more Americans back to work by reforming the welfare system and creating more jobs, to create a stronger and more vibrant education system throughout the country, to establish as a top priority defending our Nation through a strong national defense system.

Americans frankly have to look hard to find these kinds of articles, because the White House and the President's allies in the national media like to put these great big stories on page A–18 as we can see right here in the New York Times. You have to flip a few pages before you find a landmark announcement like this that the ''Budget Balances Without Customary Raid on Social Security.'' Look at the headline right there. How many years have we been working for this very goal and President after President after President stood right up there at that podium, speaker after speaker has come down to these microphones in the well, party after party have all stated this as a primary goal, only one party has managed to accomplish that, it is the Republican Party and we managed to do that within the last 6 years that we have been running the Congress.

This is truly a big announcement. Doing something in Washington sometimes means stopping the bad ideas that emanate from the other end of Pennsylvania Avenue. As I stated earlier, the Clinton-Gore spending proposals entailed raiding the Social Security trust fund this year to the tune of about $32 billion. That is equivalent to the yearly Social Security income for one out of every 10 seniors. Let me restate the number again. The Clinton-Gore plan proposed to raid the Social Security trust fund by $32 billion this year. That is equivalent to a 10 percent cut in every senior's Social Security check. By raiding the Social Security trust fund as the Clinton-Gore plan entailed to the tune of $32 billion, their plan was equivalent to every senior citizen not receiving a Social Security check for the entire month of July. We accomplish something big by stopping those ridiculous plans that come out of the White House. It allows seniors to have a more comfortable retirement and enjoy their golden years, it allows for economic growth, to put more people back to work, it allows for Americans to afford more education for their children and for themselves when it comes to higher education.

Before I yield again to the gentleman from Michigan, let me just make one more distinction between what they consider progress on the Democrat side and what we consider progress. Their idea of promoting education opportunity in the United States of America is taking tax dollars from the American people, confiscating those tax dollars, requiring them to be sent here to Washington, D.C. so that politicians can redistribute that wealth to the American people in general or to different political projects and so on, but at times to government schools. That is a fine thing. There is a legitimate cause for the Federal Government to appropriate dollars for education. I do not dispute that at all. But we can do even more. By balancing our budget, by being fiscally responsible here in Washington, D.C., that allows the American people to be full participants in an academic marketplace, picking and choosing the kinds of academic settings that make the most sense for them, picking the kinds of programs that will most directly allow them to enter into the workforce, whether that be through a traditional liberal arts education or one that is involved in technical training of various sorts. That is the point that the gentleman from Michigan has really led this Congress on. I yield to the gentleman on that note.

Mr. EHLERS. I thank the gentleman from Colorado for yielding. Let me just make a couple of final comments on Social Security and then I will say something about education.

I happened to pick up this morning a sheet from the Committee on Appropriations' office because I was interested in digging out these numbers. The chairman of the Committee on Appropriations had managed to get this out last week. In terms of the money taken from the Social Security trust fund to help balance the budget, if you go back to 1960 as you mentioned earlier, the problem starts then but the amounts are fairly small. Nothing in 1960, $431 million in 1961, then really low again, then up to $600 million, but very modest amounts, until 1967. What happened in 1967? President Lyndon Johnson, with the unfortunate agreement of the Congress, combined all the money in the Federal budget into what is called the unified budget. Now, that sounds nice but I have to tell you, I was angered back then. I was not involved in politics at all. I never dreamed I would be involved in politics. But I thought that was voodoo economics, to coin a phrase, that they were cheating, because they were taking all the funds, the gas tax trust fund that people pay to get roads built, the aviation trust fund, the Social Security trust fund, Medicare trust fund, combined it all into one. And then look at the figures of what happened after that. Immediately, that year, almost $4 billion, the highest amount that had ever been taken out of the Social Security trust fund. And it continues to be high, partly to cover the cost of the Vietnam War. Then it dropped down in 1976 to zero. Why? Because there was

no surplus left in the Social Security fund. And then in 1984, 1983 and 1984, we revamped the Social Security tax and really increased it. It is now for many people, the lower income people, the highest tax they pay, for Social Security. So there is a fresh influx of money. And immediately the Federal Government began using that money once again to cover the deficits. It goes up, it starts modestly again, $212 million, before long it is up to $58 billion, then continues all the way up to $60 billion in 1995 and so forth, until we finally got in office and started chopping it down.

Now, the other point I would like to comment on is the one made by the gentleman from Montana (Mr. HILL), about this is not the end-all just because we balanced the budget. We have to make up for all that money that was taken out and basically is added to our national debt. We have to begin paying back the national debt to correct the problems we have had ever since President Johnson went in the other direction in 1967. I am very pleased that last year we got the gas tax trust fund off-budget, so now when people pay their fuel tax, it actually goes into roads, bridges, highways and all the things that it was supposed to go into instead of being used for other purposes. This year, we are trying to get the aviation gas tax off-budget so the ticket tax that people pay when they travel will be used for better airports, runways and so forth. I hope someday personally that we can get the Social Security trust fund off-budget so we cannot even tinker with it and take that money out of there. That is a long-term goal.

Now to shift gears a little bit and make some introductory comments about education. What should we do for education in this country from the Federal level? Here it is quite different from the previous topic we discussed. We have been criticizing the Democrats for a long time on their fiscal management, but I will commend them, just as I commended the Republicans, on their desire to improve education in the United States. I think that desire is shared throughout this entire Chamber.

□ 2000

But there is a basic difference in philosophy, and I think it is very important to highlight that. The approach of the other party is to have a Washington down program; in other words, it starts here, we think of the ideas, we do the work here, and we filter all that down, and in the process we lose a lot of money.

We can tell endless stories, and you may hear some of those later from my colleagues about the money that is wasted in that.

The Republican philosophy is, first of all, that the Federal Government has a limited role in K–12 education. That is not the job of the Federal Government to dictate how the schools should operate; it is our job to try to help them in ways that they determine are best, and so that we should serve as a resource for the local and State governments as they attempt to run our schools and that our program should make sense. Furthermore, it is our philosophy that the Federal money should go directly down to the local schools where it will do some good.

Right now, current estimate I am aware of is that only about 65 percent of the education dollars from Washington actually get down to the classroom. Thirty-five percent is lost in administration and other parts of the bureaucracy. Our goal, by virtue of a resolution we passed just yesterday, is to get 95 percent of the Federal money right down in the classrooms where it will do some good.

Also, it is not the Republican philosophy to mandate precisely how that money is to be used. Just compare, for example, President Clinton's proposal to provide 100,000 new teachers. Now that is a noble gesture, but what would be accomplished? Governor Wilson in California tried to do exactly the same thing, and he found out that in fact the result was not what he had expected. Adding teachers to the California system, reducing class size, did not help. If you look at the students' scores, they really did not change. Why not? Because there are not enough qualified teachers available in California or, in fact, in the United States, and so they proceed to hire 100,000, or I forget precise number; they hired a large number of new teachers, most of whom are not qualified, and there was no net improvement in the schools.

Rather than taking a Federal approach that says we will help you hire 100,000 new teachers, a far better approach is to say we want to hear from you at the local level what you could do to improve education in the schools and to work with them, and that has been the emphasis in the Committee on Education and the Workforce of which I am a member. And we have just passed out major legislation today, two different bills which will help the schools, but give them much greater flexibility than they have had in the past and reduce the amount of money spent at the Federal level trying to evaluate programs, telling them what to do and saying: You do it our way or the highway.

So I think it is very important to recognize the distinction in philosophy. The people of this Nation can pick and choose which philosophy they want, but I happen to think just from my years in education; I spent 22 years teaching. As far as my money is concerned that I send to the Federal Government, Mr. Speaker, I would rather have it come back to the local schools and the teachers where they know how to use it and can use it well.

Something else the Federal Government can help in tremendously is that we have to recruit and train and keep good teachers. Over the next decade we are going to lose 2 million teachers in the schools. There is going to be a great shortage, and that is something the Federal Government can help with through various scholarship programs to make sure that we get the best possible teachers, we train them the best possible way and we make sure we keep them and that they do not go off to other jobs.

Mr. SCHAFFER. Mr. Speaker, I would like to yield back for a couple of questions perhaps and just some observations.

Your expertise is in science, is in physics, and, you know, the third international math and science study was released, I think about a year ago, showing that there is something to be concerned about in the United States where our graduates are concerned and their competitive rating compared to the rest of the world. Our results were not quite nationally where we would like to see them, but to contrast that we see pockets throughout the United States where school districts and specific schools are doing remarkably well and where our students are, in fact, the best in the world. But trying to allow for a system to occur where children anywhere at the K–12 level, or even at the higher ed level, have access to good professors and good school teachers that get the basics of math and science at the very early ages and are able to cultivate those skills into marketable and competitive skills as they grow is the real challenge for the country.

And you are right. There seems to be an attitude by some in Washington, typically on the Democrat side of the aisle, that suggest that we here in Washington can magically come up with the answers, spend a little money, create a few new rules, and we will resolve that issue. But I think that our answer is right, that the strength really does lie out there in the States. They may need the resources and support of the Federal Government, but they do not need us to take over, and I yield to the gentleman to comment on that point.

Mr. EHLERS. Mr. Speaker, I will be pleased to comment on that. You have touched on something that means a lot to me and I pursued a long time.

For those who are not aware, I just mentioned that I happen to be a physicist, I have a doctorate in nuclear physics, and never in my life intended to get into politics, enjoyed teaching and research, but here I am.

I was given an assignment by the previous Speaker of the House to work on improving our Nation's science policy and improving math and science education, and I am continuing this year under the direction of Speaker HASTERT and the Chairman of the Committee on Science, the gentleman from Wisconsin (Mr. SENSENBRENNER) both of whom have a deep interest in this and have given a lot of help and support.

And you are quite right. The third international science and mathematics

study which compared students from our high schools with students from high schools across the country really, I think, shamed us in the sense that our students came out near the bottom. They were at the bottom in physics, they were barely above the bottom in mathematics, and overall there were only two nations below us in the rankings of knowledge of math and science in high school.

Mr. SCHAFFER. If I remember right, it was Cyprus and South Africa.

Mr. EHLERS. Yes, in the overall rating, and we were behind Slovenia and a lot of other nations. This was all developed nations of course.

It was a real shock, but there are other factors.

Just recently our science Olympiad students went to compete on an international level, and they were bright students. I met with them, and they were very capable. But once again we did not win the international championship, and it was certainly not the fault of the students. It is just that we have to do a better job throughout our educational system of educating and preparing.

Now there are several reasons for that. Number one, of course, is to produce good scientists and engineers, and that is very important in this technological age because, as my colleagues know and have heard repeatedly here, over one half of our economic growth today comes from science and technology, and if we do not train the people, we are going to lose that to other nations. We already are losing some and have to Japan which spends more on this, on scientific research and training, than we do, a greater percentage of their gross domestic product, and also Germany does the same, and, believe it or not, South Korea is almost overtaking us. So we have to watch this very carefully and do a better job.

But there are other reasons why we have to do a better job in math and science education, and that is I am personally convinced that within 20 years you will not be able to get a decent job in America without some good understanding of science and technology. It even happens in my office here, and you would not think a congressional office would be that way.

But I have told my employees; I said, just imagine, suppose you had worked here 20 years ago, and you fell into a Rip Van Winkle sleep, and you just woke up this morning and came to work here. Would you know what to do? And everyone of them said, no, they would not have the slightest idea because they could not even operate the telephones because telephones are basically computerized today. They obviously could not operate the computer, so they could not get letters out, and they could not handle mail and so forth.

And you just go right down the line, so many things we do. If I asked them to find out what is in a particular bill, they would not know how to get on the Internet or the Intranet and look it up. We work much more efficiently in the Congress today because of our computerization, but it takes knowledge and skill, and the more that they learn in the school, the less they have to be trained when they get a job.

That relates to another issue of what I call workplace readiness. We are spending a huge amount of money in this country, individual companies are spending that, training their employees to be able to do their work when they hire them, and we certainly have to do a better job of preparing them for the workplace.

Third major reason for improving math and science education is just better educated citizens and voters. We deal with a lot of complex scientific issues here. How are the voters going to be able to judge us and judge the issues if they do not have some background in it?

And similarly in the marketplace, as consumers; how are they going to be able to judge individual products when they evaluate the claims? As my colleagues know, are these claims, too, or are they not, particularly when you get to health supplements, or health care or issues like that. It is very complex, and we certainly need to do a better job of training them.

Now how can we do that? Again, I mentioned earlier trying to find, train and keep better teachers. But there is more to it than that. There are a lot of teachers out there who did not receive adequate training. We should not talk in terms of they cannot do their job, is that not terrible? We should say, hey, they were trained in a different era.

Our job in the government is to try to offer retraining, and that is why I have been a very strong advocate of what is called professional development, helping teachers who are out there, doing a good job but suffering because they have not had the proper training and they do not generally have the best textbook because there are not really good textbooks out there in many of these areas. Let us help them by providing professional development funds so that they can learn more about it.

I am impressed every time that I go in the class. The teachers really want to do the job well, and they really are fearful when they have not had adequate training, and that is what we have to provide.

One last thing the Federal Government could do without interfering with the local schools, but helping them a lot, and that is by funding research on better ways to teach, particularly teaching math and science. There are a lot of new ideas out there, and I have another aspect of that. I am hoping that we can, as a Federal Government, fund a national clearinghouse which will take all the supplementary materials available from chemical companies, from NASA, from the National Oceanic and Atmospheric Administration. They all have individual units. Put them all on the Internet, have them all catalogued so if a teacher wants to go and do a unit on Antarctica; there is an interest now because they are trying to save this doctor down there. She can just go right to the Net, she can give her students experiments that are ready on the Internet and say, hey, we read about Antarctica; why is it so cold there? And they can do a unit right that day.

Mr. SCHAFFER. Your comments about science technology and education give me a perfect opportunity to switch the subject and jump to another topic that the gentleman from Montana and I work on quite a lot as western legislators.

But, as my colleagues know, there are a lot of scientists that we count on and rely on and training that we hope to impart in our universities and research universities with respect to forestry. Forestry, the area of forestry, seems that science has kind of gone by the wayside especially with some of the latest decisions that have come out of the White House. The National Forest system is a system that was designed back in 1910 as a system, or was it 1903? Somewhere back there in the early part of the century as a service designed to manage these vast natural resources that the American people own and enjoy and maintain to help stabilize our economy, to utilize these lands for multiple use, and that concept of multiple use is, as I say, going by the wayside. The President made an unfortunate announcement just today that has caught many of us in western States I cannot say by surprise, but it has certainly grabbed our attention because it has tremendous economic consequences, and I will yield to the gentleman from Montana to elaborate further on the President's most recent antics on National Forest management.

Mr. HILL of Montana. Mr. Speaker, as my friend from Colorado commented, this is not a good day for rural western America. The western States, as my colleagues know, those of us from the west often have to remind our colleagues from the east how big our western States are and how much of our western States are public lands. My State is 148,000 square miles, and about 30 percent of that is public land, Forest Service land and BLM lands, and the concern that we have and I have today is the President announced today that he is going to be locking up about 40 million acres of US Forest Service land, in essence making it de facto wilderness area. As my colleagues know, the Congress and the Constitution provides that the Congress will determine whether or not lands will be designated as wilderness, and the President by executive order has in effect allocated this 40 million acres to wilderness.

And you made note of the Forest Service. The total Forest Service acres in the country is about 191 million acres, so this is over a fourth or over a

fifth of the total US Forest Service acres, and this designation means there is going to be less access. They are going to close roads, they are going to remove roads, they are going to eliminate timber harvest in these areas, no mining.

□ 2015

In fact, if the previous activities of the administration are any indication, there will be little recreation in these lands, too.

Mr. SCHAFFER. Mr. Speaker, if the gentleman will yield for a request, and that is, would the gentleman just explain to the House what this wilderness designation means, because for many people, this term wilderness sounds like a great thing. That sounds like a good thing. We like wilderness when it comes right down to it, but the term ''wilderness designation'' has a very specific legal meaning, which robs the American people of access to their precious lands.

I would ask the gentleman to just go into that a little further and make sure we do not skip over that point, because it is an important distinction that we need to reinforce here on the floor.

Mr. HILL of Montana. Mr. Speaker, the gentleman is exactly right. Sometimes I think people confuse the idea of wilderness with wild areas, and those do not have the same meaning at all. Wilderness has a legal meaning, a very specific legal meaning, and it means that the land can only be used in more primitive ways.

For example, if people want to enter the land, they have to do it by horseback or on foot or hike in, they could not even take a bicycle in there. So motorized vehicles are not allowed in there, chain saws are not allowed in there. Basically they are areas that are allowed to remain entirely wild and allow natural forces to be at work.

Mr. SCHAFFER. Mr. Speaker, if the gentleman will yield, so the elderly, the handicapped, the infirm who currently enjoy access to their national forests, under the new designation, the de facto wilderness designation, what happens to them?

Mr. HILL of Montana. Well, those people will not have access to those areas. But even more important than that, the gentleman from Colorado has counties I know in his State and I have some in my State, and in fact, I have one county where 97 percent of the land in the county is Forest Service land. So that community really depends on that land for its livelihood, whether it is timber harvesting or mining, and of course the people recreate on that land. They hunt and they fish, pick berries. All of those things occur on that land. All of that kind of activity will be restricted in these areas under the President's designation.

Now, the President is saying, this is his environmental legacy. The President is trying to establish legacies for his administration. But the record, the environmental legacy with regard to public land management of this administration is dismal. It has been an absolute failure. It has failed the environment. The General Accounting Office has reported to the Congress, and the gentleman serves on the Committee on Resources with me, that the condition of our western forests is in a disastrous condition, catastrophic condition. When they say catastrophic, they mean that the ecology of these areas is subject to catastrophic risk. Catastrophic fire risk, risks for disease and infestation. This administration's record in managing this resource is dismal.

But also, its impact on these rural communities has been abysmal. These communities rely on these lands for grazing and for timber harvesting and for mining, and all of those sorts of things, recreation, and the President is basically saying, there will be no more of that.

This latest decision on the part of the President really will put the nail in the coffin for many of these rural communities. Much of the economy of this country has prospered over the course of the last decade, but in rural America, things are not so good. In agriculture, we suffered a great deal.

Those communities that are dependent on the public lands and appropriate management of the public lands have suffered greatly. The economy of those communities is in trouble; unemployment rates are extremely high. In my State, many of those counties have unemployment rates of 15 to 20 percent. And what happens when we have that kind of unemployment, the social fabric of the community breaks down, churches cannot afford to stay in business, schools suffer.

As the gentleman knows, these rural communities share in the income that the government produces from the development of these resources. All of that the President is writing off. And it is because, of course there are not many votes out there, there are not a lot of people out there. So the President is more interested in the people that can contribute millions of dollars of soft money to his campaign. He is interested in supporting the people, the glamorous people in Hollywood and the Silicon Valley. But these are the salt of the earth people; these are people with simple needs. The President today has said that these people do not matter, and it is a disaster for rural America.

I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank my friend from Montana and my colleague from Colorado for taking this time on the House Floor to really address these issues of vital concern. I listened to my friend from Montana talk about the counties. As he explained his own situation, I thought about Gila County, Arizona. Ninety-seven percent of the land in Gila County, Arizona is under some governmental control. The bulk of it is under Federal control.

And, there is a misnomer at work. My colleague from Colorado mentioned the designation of wilderness, but there is a far more misleading moniker given to these federally controlled lands. Mr. Speaker, for our friends in the east and indeed in the Bay Area of San Francisco and other major metropolitan areas, when we hear the term ''public land,'' that suggests in the mind's eye a public library, a public park, a public facility. But in essence, Mr. Speaker, a far more accurate moniker is federally controlled land.

So many of our colleagues from the east fail to understand the distinction. The State of Arizona, the youngest of the 48 contiguous States, not becoming a State until Valentine's Day of 1912 under President William Taft, Arizona, as a condition of its Statehood had to offer, in essence, a dowry to the Federal Government. And that dowry, if you will, was over half the landmass of the State of Arizona given to the Federal Government.

Now, our friends in the east, our friends in the inner city fail to understand what that means. Because the fact is, vast holdings of land as personal property are not found in the State of Arizona or in the American west. But I must tell my colleagues, I get a kick out of those in the think tanks who talk about welfare or socialist cowboys, as if applying for grazing permits is somehow pledging one's trough to the Federal Government. Mr. Speaker, my constituents have no choice. They do not own the land. And yet, time and again they are good stewards of the land that they lease from the Federal Government.

But what we see here is really yet another gulf between rhetoric and reality. My colleague from Montana mentioned the contributions to the Clinton-Gore campaign. Let the record show, and I say this unapologetically and clearly to the American people, Mr. Speaker, vast sums of money came from the Communist Chinese to those coffers, and yet the partisan press wants to ignore that inconvenient fact. Yet, we also see, even as the Clinton-Gore gang extols the virtues of campaign finance reform which, for that crowd, is akin to Bonnie and Clyde at the height of their crime spree holding a press conference calling for tougher penalties on bank robbers, they also wrap up rhetoric about the children.

Mr. Speaker, I would note for this House the vote that took place earlier this summer on the new Education Land Grant Act, what my staff has nicknamed HELGA, the Hayworth Education Land Grant Act, which deals with public land, federally controlled land and sets up a uniform method of conveyance at a minimal cost to rural school districts in 44 of our States, but especially in the American west. And, Mr. Speaker, even though the left insisted on a rule to bring that to the floor and debate, in the final analysis, even the left could not abandon the logic of that common sense approach,

and all 421 Members of the Congress who were here on that day voted in the affirmative for the new Education Land Grant Act.

How sad it is, Mr. Speaker, that the President, who rhetorically embraces the cause of children, has asked a liberal Senator in the other body to put a hold on that legislation. The gulf between rhetoric and reality is profound.

I yield to my friend from Colorado.

Mr. SCHAFFER. Mr. Speaker, I thank the gentleman for yielding. We only have just about 5 minutes left, but I want to say the Education Land Grant bill that the gentleman has introduced is a brilliant bill and earned quite a lot of support here in the House, and I would submit it did so because it typified the original deal, if you will, that existed with all of these Federal lands that we are here discussing, the national forestlands in particular, but also some of the other Federal lands. That is, these lands should be managed for multiple use, keeping in mind that they are to be used for livestock raising, for timber harvests, for mining, for recreation, for wildlife habitat management, for a whole assortment of forest products being used and taken from the forests, all of that within the context of sound forest management. Because if one is not in the forest working the land, taking care of it, keeping the diseased trees treated, getting the bugs out, helping to thin the forests so that they do not catch fire or deplete water resources and so on and so forth, if we fail to do all of those things, not only do we damage the environmental integrity that we are concerned about our national forests, but at the same time, by pushing people off of public lands, we do lose a valuable source of income for schools, for communities. Because these public lands, while they do not pay taxes, there is what is called a payment in lieu of taxes that comes from the economic activity that is generated by those lands.

So when the President pushes this policy forward, and I would ask the gentleman from Montana to elaborate further on this point, further restricting access to public lands means further restricting the economic activity on those lands; it means further restricting the management of those lands, and it threatens not only the forest health, but threatens severely the economic livelihoods of thousands of communities not just across the west, but across the whole country.

But I think disproportionately, that burden falls in our respective districts.

I yield to the gentleman.

Mr. HILL of Montana. The gentleman is exactly right. I have 10 national forests in my district, so when we learned of the President's intention to announce this, it was in the Post last week, we called those regional supervisors and said, how is this going to impact the regional forests? What we found is that the White House had not consulted with the regional forests or with the individual forest supervisors, with the biologists that are out there in the field. This is a policy that was made up in the West Wing of the White House, not by the land managers out there that understand the resource.

That is why this policy, seven years of this administration, has been so devastating to the natural resources in the west, because they have made these as political decisions. They are decisions that have been made by people that do not understand these communities; they do not understand these resources, and they have made the wrong decisions.

They say they want to preserve the West, but as the gentleman from Arizona pointed out, the reason that the West is such a wonderful, beautiful place is the people that live there have been outstanding stewards of this land for as long as we have been there, and that has included multiple use of the land. We have mined the land, we have timber harvests, grazing on the lands, hiking, recreation on the land, and the resource is an incredible resource.

We know how to take care of the land, work with the land, live with the land. Frankly, we also understand that people are part of the environment too, that the environment is not just about birds and animals, it is about people too, and that a healthy environment for these communities is a prosperous community with opportunity as well.

That is what the President does not understand, that this decision is just the next step in this administration's top-down perspective on managing this natural resource. It is not only bad for these communities and for my district and my State, but it is bad for the environment as well.

I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Montana.

Just one final point. Again, the gulf between rhetoric and reality. In the 1960s, critics of Lyndon Johnson spoke of a credibility gap. With this administration, sadly, we have a credibility canyon such as the gulf between rhetoric and reality, and as my friend from Montana was making this point, Mr. Speaker, I could not help but think of the slogan of the Clinton-Gore 1992 campaign: Putting People First. How falsely that rings in the years of western Americans.

I yield to my friend from Colorado.

Mr. SCHAFFER. Mr. Speaker, I want to thank the gentleman from Arizona, the gentleman from Montana and the gentleman who has left us now from Michigan for joining me in this Special Order, and we will come back as often and as frequently as we can to talk about the great accomplishments of the Republican Party.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GREEN of Wisconsin). The Chair will remind Members to refrain from characterizing Senate action.

THE BUDGET AND FEDERAL PUBLIC LANDS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, while we are preparing up here to discuss my main topic this evening which will be the Federal public lands, the management tools, the history of multiple use in this country, Colorado water, Colorado recreation, and Colorado jobs, while we are preparing to set up for that, I want to mention a couple of comments on a subject that involves every state in the Union, and that is our budget.

□ 2030

Back here, we are right in the midst of some very tentative negotiations, very fragile negotiations would be an appropriate way to discuss it. The Federal budget is important to every citizen in America. This Federal budget helps determine the future of our generation and the kind of debt and the kind of opportunities we give to the next generation and the next generation and the next generation.

We have some very strong policy points that must be adopted or must be carried out, and those policy points are the Republicans' top priorities in regards to these budget negotiations. Number one, the defense of this country, this country must maintain a strong defense. We cannot be the second strongest kid on the block.

Number two, education. We can have a strong military. We can have a good economy but if we do not have a strong educational system, and when I talk about a strong educational system history will show that the best educational system is not run from Washington, D.C. down, as the Democrats would have it done but it is run from the local school districts up, education is absolutely crucial.

The third thing, for 40 years, while the other party was in control, they ran deficits year after year after year. It is very interesting to see them all of a sudden adopt fiduciary and fiscal responsibility to the taxpayers of this country. The plan and the budget we have to come up with, we will come up with, has to reduce that Federal debt.

In fact, I remember all the criticism given by the other side, the Democrats, when we took the majority: Do not fill us full of baloney that they are going to get rid of the annual deficit; do not tell us how the cuts in the programs and cutting government waste, which is one of our big targets, is going to help get rid of the annual deficits.

Well, today it is as if they were part of our team back then. They did not cooperate much. Some of them did but not all of them. Today they have forgotten all about that. We do not have

annual deficits. In fact, last year we had a $1 billion surplus, after Social Security. We have heard a lot of discussions out there on Main Street about, well, maybe there is a surplus but it includes Social Security money. We have heard Republican after Republican and some conservative Democrats say, look, Social Security has to be preserved; we cannot count that in that surplus.

Last year we really had a true surplus of $1 billion. Well, the key here and the key in our budget is to be able to go forward and take care of that Federal debt. We have the deficit taken care of. Now we have to shift from the annual deficit, which happens every year, did happen for 40-some years with the exception of a couple of years, I think in 1963 and 1964, now we have that taken care of, at least we are barely on top of it, and now we have to look at reducing the Federal debt. That is a high priority.

What is the other priority in these budget negotiations? Medicare. I can say that colleagues on both sides of the aisle are concerned about that, but concern is one thing. Doing something about it is something else. Of course, the final thing, Social Security, I do not know anybody that is not concerned about Social Security. I know a lot of people, however, that are not confident in Social Security and Social Security being there when they need it or being there when their children or their children's children need it. Those are our priorities in this Republican budget.

I can say when there is a so-called surplus, it is very easy to go out to the country, to go out to the communities and promise everybody that wants money that money. Those are the people that do not get it done. Those are the people that promise it. They are the ones that do not gather a lot of firewood for the fire at the campsite. It is very easy to do that, but the real tough decision is the party; the party that really has the tough decision is the party that has to try and balance this budget.

We have committed to the American people we will do everything we can to avoid spending Social Security money and at the same time enhance the military, enhance education, reduce the debt, help Social Security and help Medicare.

I think we are pretty darn close to doing it. That is the good news I have tonight, but let me say it is going to require some sacrifice. Now, we ask all to sacrifice. Now, I do not think cutting government waste is a real sacrifice, although some people make a living off government waste. I think it is something pretty easy to do, but there are a lot of programs out there that are good programs but maybe not urgent programs or necessary programs. We are asking the citizens of this country, team up with us. We can save Social Security. We can do something about Medicare. We can reduce the Federal deficit. We can do something for education. We can have a strong defense in this country, and we can do it in a fiscally responsible way, but it means we have to tighten our belt.

It is always easy to pick between a good program and a bad program. That choice is pretty easy. Our choices today are between good and good programs. These are not easy choices, and in the way our legislative body is created the minority party does not have that responsibility so it is very easy for them to go out and promise to every American that certain products or programs or services will be delivered.

It is our job on this side to put the money in the account. We write the checks. We do not complain, but we know that we have to ask for a tightening of the belt. Now one of the things we are talking about is an across-the-board, 1 percent maybe, 1 percent out of every dollar, reduction in some of these agencies to help us save Social Security, get money into Medicare, help education, help the military defense and reduce the Federal debt. That is all we are asking.

Think about it on a person's own family budget, Mr. Speaker, at home at night. When someone's daughter or son comes home and says, dad and mom, if we can just save one penny on the dollar it can really help me with my future.

That is exactly what we are doing here. We are looking at the generation of their son's, their daughter's age or their grandson's or their granddaughter's age, we are looking at them and they are asking us to save one penny on the dollar. Let us reduce our expenditures by one penny on the dollar. Guess what? We can do it without going into the Social Security money. We can put money into education, we can put money into defense, we can reduce the debt and we can help Social Security, obviously, and Medicare. Those are important issues for us to consider. I will keep everyone advised as these negotiations continue to go on.

FEDERAL PUBLIC LANDS SHOULD REMAIN PUBLIC

Mr. MCINNIS. Mr. Speaker, I would now like to shift gears and talk about the Federal public lands. The largest landowner in the United States is the Federal Government, and by far, by far, the largest owners of land are the Federal Government, the State government, the city government, the local districts, et cetera, et cetera, et cetera. We depend very heavily on the use of public lands.

I thought I would begin tonight by showing some examples of some beautiful public lands. Now, I am a little biased in this regard. My State, the State I represent, is the State of Colorado and I have been very fortunate to represent the 3rd District of the State of Colorado. Many people have been to Aspen, many have heard of Glenwood Springs or Steamboat or Telluride, or Durango, Breckenridge, Summit County, Grand Junction. There are a number of different communities that some people have visited. They know about the Colorado Rockies. The Colorado Rockies are a gem. They are a diamond for the United States.

We need to do what we can do to preserve those while at the same time, while at the same time, allowing people to live out there. We are going to cover a little of that.

Let me, first of all, point out, this is in the district, I will use my red pointer here, we will see the red pointer on the sky above the mountains. This is the Maroon Bells, one of the most beautiful settings and I am sure many of my colleagues have been there. This is fall, obviously, which can be seen by the colors. Many, many thousands and thousands of visitors, whether handicapped, whether 19 years old and have great big legs, everybody gets to have access that can get here can go up there and see this beautiful, beautiful gem of our country, the Maroon Bells.

I know the Maroon Bells. I was born about 40 miles away. My brother climbed the Maroon Bells when he was 14 years old right there on that peak where the red dot is. Unfortunately, during that climb, a rock came off the top. He was in outward bound school, and it killed his instructor. He was 14 or 15 years old. We have a lot of family history and there are a lot of people in this country that have a lot of history in these mountain ranges. I am from the mountains. So are many of us, but the mountains are something we believe in. We have a strong heritage with the mountains. We want to protect the mountains.

Now, that is what this looks like today. See my red beeper, my little light there, the lake, that is how it looks today. Why does it look like that today? Is it because we allowed oil well drilling to go up on top of it? No. Is it because we put mines in there? No. Is it because we clear cut all the sides? No. Is it because we let them fish out the lake? No. Is it because we let them pollute the water? No.

What is my point? My point is that for 200 years and before that with the Native Americans, we have taken care of this land. Washington, D.C. would like to convince us that this thing is full of oil rigs, that the timber, that the small families that make a living off timber, go up there and clear cut this land, that the fishermen fish out the streams, that the streams are polluted and that the only way to do this is move the West Wing of the White House to now have that command center for the western United States. They think it matches: West Wing, western United States. So they come up with a program, 40 million acres.

Now, what does 40 million acres mean? Many people, if they own a home, they are on a lot size, maybe they have, I do not know, half an acre, a half an acre, where their home is located. Imagine 80 million times that

half an acre that they own and that is what the President today has proposed to, in essence, take off limits.

What I am saying here is, these are assets, these are museum pieces. These mountains are beautiful. We know this. We want to protect them, but we have to use common sense and in using common sense we cannot just do it for the elite people of this country. We have to consider the common man of this country, and I say that generically. We have to speak for the common person in this country. Do not forget about them.

Not everybody can have a farm or a ranch in Aspen, Colorado. Not everybody can own a home in Aspen, Colorado. I certainly could not afford it and most of my colleagues on this floor could not afford it, but that should not keep us from being able to go up and enjoy it. It should not keep us from being able to go up and recreate on it, like skiing. I can say within eyesight of Maroon Bells, one can see several of the major ski areas in the world. Have they polluted the Maroon Bells? No. Have they caused clear cutting in the Maroon Bells? No. Do they provide jobs for Colorado? Yes, thousands of jobs. Do a lot of people get to enjoy the recreation of skiing in Aspen, Colorado? Yes, lots. We have to be careful about allowing an administration, who by the way rarely sets foot in Colorado and last year when they locked off a big chunk of the State of Utah, they announced it, the President announced it, in the State of Arizona.

Come put your hands in the soil; come put your hands in the dirt, Mr. President. Come see what you are doing before you do it. Know a little something about it before you talk about it.

I know about it. I was raised there. My family has been there for generations.

Let me show my next display here. These are the Fourteeners. Look at this. All over Colorado, I will point out, there is the young Compadre Peak. This one is the mount of the Holy Cross right here where my finger is. I will put the red pointer so it can be tracked by the red pointer. Columbine Park, look at all of these.

□ 2045

We have over 54 of them. Over 14,000 feet in Colorado form these beautiful mountain ranges. Do my colleagues see any clear-cutting that has gone on? No. Do my colleagues see any oil rigs? No. Do my colleagues see tents and cities and condominiums and town homes all over those 14,000 foot peaks?

No. Why do my colleagues not see them? It is because we protect this land. But we protect it with common sense. We do not lock everybody out of there. One can ski on some of those mountains. One can cross country ski.

In the summer, guess what? We have discovered something. It is a wonderful sport. It is a fabulous sport. Mountain biking. One gets to mountain bike a lot of this. Does it tear up those mountains? No. Are people who use those mountains responsible for the most part? Yes. For the ones who are not, let us go after them.

If this is an asset, if they are going to abuse it, kick them off. But do not kick them off in general just because they are human beings. Do not put all of the four systems of the United States into a museum.

The Federal lands, I will show my colleagues a couple other here real quick. This right here, this is a winter scene here in Colorado. Take a close look at that. Look at that snow. Do my colleagues see bulldozer tracks through that snow? No. My colleagues do not even see snow machine tracks through that snow. Why? Because we have designated trails. We manage those lands out there.

Those lands are not just important to the United States. They are important to those of us who make a living off of those lands. My in-laws, for example, David and Sue Ann Smith, my colleagues ought to visit them. They live in Meeker, Colorado. You want to talk about salt of the earth people. You want to talk about environmentalists. Do my colleagues know why they are environmentalists? They have got their hand in the soil every day.

Ask him what he thinks about that ranch. Ask him what he thinks about that ranch when people come up and offer him millions of dollars for that property. They do not want to sell it. They love that land. The Smith family is pretty representative of most of the ranching families.

I mean, the President is about to go out and destroy the way of the West, the territory. Remember the judge from the Supreme Court, ''Go west, young man. Go west.'' Maybe it was Greeley, Horace Greeley said that. ''Go west, young man. Go west.''

Do not wipe it out. Do not make it an urban area. Do not restrict it for the President's museum at the White House. Work with us and help us protect this in a common sense approach, a common sense approach.

This is Colorado. These are more peaks that I want my colleagues to see. Beautiful, absolutely beautiful. Those are protected. President Clinton does not need to skip in and protect them any more than they are protected right now. We are preserving them. We know how to take care of this land.

What I am saying to my colleagues, in my district alone, and I say my district, the people's district that I am lucky enough and fortunate enough to represent, in that district alone, we have over 23 million acres of government-owned land, 23 million acres. We take darn good care of that land. We have a lot of uses of that land: recreational land, recreation, wilderness areas. We do have some timber. We have very little mining left anymore. We have a lot of different uses for that land.

President Theodore Roosevelt, I want to quote him, because the President in the last couple of days wants to put out an image that he is the Theodore Roosevelt, the Teddy Roosevelt who rode in on the bucking Bronco to save the West. Let me tell my colleagues what Teddy Roosevelt said. I think it is very important here because he talks to the common man. President Teddy Roosevelt was known as a common man. He understood the ways of the east. He understood the ways of the West. I think before somebody lifts themselves to that standard, they ought to at least qualify for it.

Let us talk about Teddy Roosevelt. ''Conservation. Conservation means development as much as it does protection. I recognize the right and the duty of this generation to develop and use the natural resources of our land. But I do not recognize the right to waste them or to rob by wasteful use the generations that come after us.''

That is the approach, the balanced approach. In essence, what he is saying is there is a right for people to use these lands. But there is no right, no right by the people that use these lands to destroy these lands for future generations.

We have got really two extremes: One end of the spectrum over here, one end of the spectrum over here. This end of the spectrum says, ''hey, we ought to be able to go out there and mine it and clear-cut it and develop it all we want.'' Over here on this extreme, we have got organizations like Earth First. ''Lock them out. Put everything in wilderness. Take away the right of multiple use.'' I will talk about multiple use here in a minute. Take away those rights.

But do my colleagues know what? Most people in America and certainly most of the people that live here feel that, in the middle ground there, we can do both. We can allow some ski areas. We can allow cross country skiers. We can allow mountain bikers. We can raft on those wonderful, beautiful rivers in Colorado. We can hike.

Yeah, we can allow a power line to go across them to some of our communities that are circled by Federal lands. There are things we can do with Federal lands. We are going to restrict it. We are going to be balanced.

On the other hand, they also say there are places, the same group that says one can ski and ride on mountain bikes and raft down the rivers, that same group, the middle group, as I call it, the real Westerners, as I call it, also believe, hey, there are some areas like the Maroon Bells that we just saw, like this area right here to my left, just like this area where my hands are. There are some areas we need to lock those away. Let us put those into wilderness. Those are appropriate wilderness.

Or let us create a National Park, just like Senator CAMPBELL and I did with the Black Canyon National Monument. We just converted it to a National Park. Or let us create a new monument, or let us make this a special-use

area, or let us give this a species status, a certain endangered protected status. There is a reasonable ground in there.

What the President has done is laid his chip. He has staked out his ground on this extreme. To me, that is as offensive as the people over here that stake out their claim that say we ought to be able to mine it at any cost. Let us go in and cut the timber. We do not need selected timber cuts. Let's go in and cut it. That is as extreme as the President is attempting to do over here for Earth First, and that is clear-cut those forests, abandon those forests, and put them into the museum.

Let us talk about a concept that is very important, very important for the United States and for all of us to understand during my discussion this evening.

That is the concept of multiple use. Now, many of us, many of my colleagues may have never heard of what multiple use means. Well, obviously, one puts use together with multiple. It means many uses, many different kinds of uses.

Remember, just a couple of minutes ago in my comments, I talked about skiing, mountain biking, rafting, grazing, grazing one's cattle, timber, mining, lots of different uses, wilderness, environmental, fishing, things like that. Those are multiple uses.

I think this map is an excellent illustration if my colleagues can follow my red dot on the map. Obviously this is a map of the United States. This is government lands. My colleagues can see where the blob of government lands are. They are not in the east. There are some in the Carolinas. There are some up here in the northern part and Illinois and the Great Lakes. But the big bulk of Federal lands are right here.

Well, when the United States acquired these lands through different acquisition methods, the population was all along here in the east, and they decided they needed to move the population to the west.

Follow the red dot out to the west. Well, when they got them out here to Ohio and Nebraska and Kansas and Texas, Oklahoma, and some of these States out here, those are pretty fertile States. The way to encourage people to go out west when we wanted to settle the frontier back in the last century was to give them land grants or let them go out and put a stake in the ground and claim that land, 120 acres or 160 acres.

Let us go back to the map. In these areas, for example, in Kansas, in Nebraska, in the Dakotas, out here in the midwest farm country, one can support a family on 160 or 320 acres or some other type of government land grant.

But what was happening, and Washington was aware of it, is there were not many people coming into the mountains. They were not going into this area. They wanted to settle this area of the West. The question came up, how do we encourage our pioneers to go to the west, to go beyond the Colorado Rockies or to get into the Rockies and into the mountains and go west? How do we encourage people to settle? Shall we give them 160 acres under land grant like we have to settle the midwest and up to Kansas and so on?

Well, the answer came back pretty simple. One is dealing with different terrain. The mountains cannot support per acre what the Great Plains States can support per acre. So if we give 160 acres to somebody for agriculture, and that was the driving industry, obviously back then, the agriculture and mining, if we give it to them for agriculture, they are not going to be able to make it off 160 acres. In fact, they need thousands of acres to do what somebody can do on 160 acres of real fertile land or 220 acres of real fertile land.

So they thought about it, and said, we cannot go out politically, and it may not even be right to go out, and give citizens several thousand acres of land simply through a land grant program. What can we do? How do we resolve this?

Therein was the birth of multiple use. That is a concept. That concept was the government said, okay, and again follow my pen on the demonstration here, the way we can get people to go up into this territory of the United States, let us introduce this concept of multiple use, which simply means that the government retains the ownership of the land, we will call it public lands, but the people have a right to use the lands.

Now, when I grew up, and when my father and mother grew up before me, and so on down back in the generations, there was a sign that hung out there. We still see it once in a while. But there was a sign that hung out there on public lands. For example, when one would go into the White River National Forest, one would see a sign that said ''Welcome to the White River National Forest.'' Underneath it hung a sign that said a land of many uses. That is what the sign said.

Today there is a very concentrated attempt to take off the sign that says a ''land of many uses'', throw it in the trash, and put on a sign that says ''no trespassing.'' That is the defeat of the concept of multiple use.

Now, maybe this would have worked. I doubt it, but maybe that ''no trespassing'' would have worked 150 years ago. But the government itself, this country itself encouraged its citizens, encouraged its people to become pioneers. Go out and settle the West. Be cowboys. Be farmers. Help this country. We need people in the West.

So generation after generation after generation, including not only my family, but my wife's family and our children, has spent generations in those mountains. That is how we make a living.

If one wants to put up one's ''no trespassing'' sign to those of us in the West, one will break us. We are not large in number. We are large in heart. We have got a lot of heart in our feeling about this. But one will break us. Keep putting up that ''no trespassing'' sign. Unfortunately, a lot of people that are encouraging that are these over here on this extreme that I spoke about earlier.

My colleagues have to imagine, if they can pretend for a minute, that they are a ranch owner, that they own their own ranch. There are several things that they need to do to be a responsible ranch owner.

Number one, they need to visit. They need to go out into their fields. They need to get their hand into the dirt. Number two, they need to understand nature. They need not to defy nature. They need to work with nature. Nature renews a lot of natural resources such as water, only if they treat it right. So they have to understand nature.

The other thing that they have to do is manage different segments of that ranch. They may want to manage the strawberry patch on their ranch a little different than they manage their grazing area where they have got their cattle.

Well, it is the same thing here. The United States has millions and millions of acres in public lands. Let me give my colleagues some of those statistics. Ninety-one percent, almost 92 percent of the land that the Federal Government owns, almost 92 percent of the land that the Federal Government owns is in the western United States. Thirty-seven percent, almost 37 percent of the land in the State of Colorado, primarily in the mountains, is owned by the Federal Government.

□ 2100

The Forest Service, the BLM, and the National Park Service manage 95 percent of this land. The National Wild and Scenic Rivers system contains 10,900 miles of wild, scenic and recreational rivers. We have got a lot of land out there, and most of it is owned in the mountains by the Federal Government.

How do we manage that land? What kind of management tools do we have? Let me talk to my colleagues about a few of them. In order to manage Federal land, we do not need to lock everything up, as some proposals like the President. He says take 40 million acres. Again, colleagues, picture what 40 million acres is. Imagine how many people make a livelihood off of 40 million acres, 40 million.

We have lots of ways we can manage that land and protect it so it looks just like the beautiful Maroon Bells that I just got done showing my colleagues, or like the 54 Peaks over 14,000 feet that I just got down showing you, or the snowy scene in the Colorado Rockies that I just got done showing my colleagues.

We have ways to manage that land, protect it for the future, but reach that balance that Teddy Roosevelt spoke

about. Teddy Roosevelt said, ''you have a right to develop.'' That was the word back then. Of course, it is a sin to use that word today. But back then that is exactly the word that Teddy Roosevelt meant. Today we use the word ''use,'' you have the right for use. But you do not have the right for waste. You don't have the right for abuse, for destruction. And he is right. He is absolutely right.

Well, how do you manage this to help protect it? We have national parks. We have national monuments. We have national preserves. We have national reserves. We have national lake shores. National seashores. National rivers. National wild and scenic rivers. I just told you eleven-some thousand miles. National scenic trails. National historic sites. National military parks. National battlefield parks. National battlefield site. National battlefields. National historic park. Reserve study areas. National memorials. National recreation areas. National parkway. Coordination areas. National forests. National scenic areas. National byways. National scenic research area. Conservation research programs. National research and experimental areas. National grasslands. National conservation areas. Special management areas. National forest primitive areas. National game refuges. National wildlife preserve areas. National wildlife refuges. National wildlife protection areas.

We have lots of tools in our arsenal to manage these public lands. We should not just go to one tool. We should not put everything in a national park. We should not put everything in a national wilderness.

Mr. President, before you put 40 million acres, 40 million acres, in essence locking people out of it, look at what the consequences are to the people who have preserved it all of these years.

It is very, very important for us to understand a couple other ramifications, not just the soil, not just the land, but right here. With my cold tonight, I have been sipping on water to keep my voice because I feel it very important to talk to you. But that is water.

In Colorado, let me give my colleagues a little quote from the poet Thomas Ferrell. It is in the Colorado State Capital. I saw it when I served in the State legislature. And the quote is, ''Here is a land,'' talking about Colorado, ''Here is a land where life is written in water.'' ''Here is a land where life is written in water.''

Colorado is a very unique State. In Colorado we must be overly protective of our water rights. Number one, it is something that a lot of other people want. Colorado provides water for probably 18 to 23 other States. Believe it or not, the country of Mexico has water rights in the State of Colorado for some of that water.

Colorado is the only State in the Union, the only State in the Union, where all of our water goes out of the State. We have no free flowing water that comes into the State for our usage.

In Colorado, we are an arid State, an arid State, meaning we do not get much rain. When you look at those beautiful mountains, you say, wow, it looks pretty rich to us. But we do not have the kind of thick vegetation that a lot of my colleagues do in the East in their district. In the East, their problem is getting rid of water. In the West, our problem is storing water.

We have to store it because since we do not have much rain, the only real opportunity we have for mass volumes of water is for the spring runoff, assuming we get the winter snows. And that spring runoff only lasts for about 65 maybe at the most 90 days. So over the balance of time, we have got to have it, we have got to store it, or we do not get it.

Now, what happens is that the water law in Colorado is unique, as well, and the same for a lot of the western water law. It is different than the East, as I mentioned earlier. It is entirely different. But there are some organizations out there who understand this, and those organizations really have two things in mind.

One, stop any kind of use from the water and that is one way to drive people out of those mountains. And the second thing is, let us take the water for our own use.

I do not know many organizations in the East who have the interests of the people of the State of Colorado or have the interests of the people in the West in mind when they look at our water rights. They look at our water rights like a great big piece of apple pie and they are hungry and they think it ought to be theirs, although they did not bake it or anything else. They think it ought to be theirs. So they put their arm around us and they talk to us friendly and they do all kinds of things, but their goal is to put that apple pie in their mouth and keep it out of our stomach. That is what their goal is.

So what do we do. We have to be protective. And when the President comes out and does as he did today, set aside 40 million acres of public lands to essentially lock them up, when he does that, what are the implications to water in the West?

Well, I can tell my colleagues right now that the National Sierra Club, that Earth First, and some of these kind of organizations, their goal is that every acre he locks up ought to have with it implied water rights. You ought to be able to reach outside that acre. Let us say this is an acre of land right here. This is an acre of land. They would like to have the Government step outside of this acre, up here or over here or over here, to control water rights. These are very, very valuable rights.

And in essence, what the next argument will be is, hey, we realize that President Clinton back in 1999 set aside 40 million acres and certainly what he wanted to do is to also lock up the water necessary for all of those 40 million acres even though we may not be using the water for agriculture or anything. We have certain water rights, like we want the quality, et cetera, et cetera, and they start reaching outside that territory.

It happened in Colorado. We have the Wilderness Act. When the Wilderness Act was enacted by this Congress by the United States House of Representatives and of course the Senate and the President, there was never any kind of discussion of water rights.

In about 1985, Judge Cain out of the Federal District Court said, although there were no water rights for the Federal Government, although the Federal Government does not seem to have any automatic water rights, there must have been an implication for water rights so the Federal Government now has implied water rights for the wilderness areas.

We have been fighting that battle for a long time. Same thing is going to happen here, my colleagues.

Now, for you in the East, my colleagues, so what? We need the water. What do you mean ''so what''? That is our lifeblood. Remember my quote? ''Here is a land,'' speaking of Colorado, ''Here is a land where life is written in water.'' ''Here is a land where life is written in water.'' It is a huge difference to us.

What are some of the other things that these 40 million acres can do, the other implications? We do not know. But it could be all of a sudden there are air rights for the Federal Government. All of a sudden the Federal Government could reach out to an adjacent town, say Silt Colorado or Grand Junction, Colorado, or Glenwood Springs, Colorado, which borders the White River National Forest, or Meeker, Colorado, which borders the White River National Forest on the north side, and they could say to those communities, you know something, you have too many cars in your community, you have too many people burning wood fireplaces. And those communities could say, we understand that. We try and do our own. No, no, no. Here is what the Federal Government out of Washington, D.C., is going to tell you communities in the West how you are going to run your communities.

There are lots of implications to the action that the President has taken today. Now, what they will try and give you is an allusion that if we do not follow the President's lead, if we do not listen to the advice of Earth First, if we do not adopt point by point the national policies of the National Sierra Club, that these beautiful mountains that I showed you a picture of will be destroyed, that the water in the West will be polluted, that the trees will be clear-cutted.

Well, let me tell you what happens if we follow their agenda. Write off mountain biking. Forget skiing. Forget river

rafting. Forget the other recreational uses that we have out there, hunting, going throughout in a 4-wheel drive vehicle on marked trails, all of the different kind of things that you can recreate with in Colorado. In the long-run, those could very easily be diminished significantly, maybe never ended completely, because we have some private property.

Although, every ski area, to the best of my knowledge, and I have almost all of them in the Third Congress District, in my district, almost every one of them is on public land. Those are the kind of implications that we are speaking about here.

It sounds warm and fuzzy today. And it is very easy to appeal to the entire country by saying what I have done is to do as Teddy Roosevelt or, as I just heard somebody on TV say, it is the most significant thing we have done for the environment in centuries.

Do you know what the most significant thing we have done for the environment in centuries? We have let the people that live in those mountains help manage those mountains. We let the people who really have their hands in the soil every day.

Now, my hands are not in soil. But take a look at my father-in-law's hands or my mother-in-law or my parents or many, many people out there in Colorado. I could give you name after name after name. What we have done right is let those people who are on the ground there every day, every hour help us manage those lands. We did not kick them off.

Now, once in a while we have had abuse and we get rid of them. And maybe we need to tighten the laws on that. I am up for that. And I am not for saying that we do not have additional areas out there where these kind of restrictions should be placed. But 40 million acres by simply throwing a fishnet over the western United States? That is what has happened. The President got a big fishnet and just threw it as far as he could and out it floated over the western United States. And wherever there is public lands, ha-ha, we will lock it up.

I am not attempting here to be provocative, to try and be derogatory. What I am trying to do here is, one, make us all cognizant of what life in the western mountains is all about; number 2, the fact that we have beautiful, beautiful diamonds out there, meaning the mountains, and we all want to protect those; and three, I want to tell you, do not just write us off. We have too much to lose. We are fellow citizens and we live in a beautiful, large expansive area, but there are not a lot of us out there. So it may be pretty easy for many of my colleagues just simply to write us off. But I am asking you not to do that. Take a look at what it really means, what kind of impact you are going to have.

You are going to hear in the next few days many statements about how bad mountain bikes are I guess. Probably more realistically, they will take some kind of thing that just on its face they will want to make it sound offensive. Logging, for example.

You know, I have known a lot of small families, these are not the big logging companies, these are small families that are in the logging business. Why do you want to wipe them out? Manage them. Do not wipe them out. Help them. Do not destroy them.

My gosh, Mr. President, I wish that you could go to dinner some night. Go to dinner tonight. What you should have done is made this announcement of this lock-up of this 40 million acres and then gone to dinner with a small family in Colorado somewhere that cuts timber and does it responsibly. How happy do you think they are tonight? It is going to destroy some people out there.

But that will not happen. The people in Washington, D.C., especially down the street, are not going to take time to see what the impact is on people. As my good colleague the gentleman from Arizona (Mr. HAYWORTH) said earlier, this President committed to put people first, they are not going to go out and see where it puts people.

Instead, it is much easier to be politically warm and fuzzy and say the West is being destroyed and we in the East must step into the West and defend it, defend it against itself.

□ 2115

We have got to protect those people, those families and pioneers out there in the West, those ranchers, those river rafters, those hikers, those skiers, those residents that live out in the West. We have got to protect them from themselves. They are destroying themselves.

That is what the image is here in Washington, D.C. That is exactly what the image is that this President is trying to portray to you people with this sign, with this signature of 40 million acres set aside.

Mr. Speaker, in Colorado most of us that live out there, including myself, my family, my wife's family, we are not wealthy people. We are there because we have a job. I have been fortunate. I have a job representing those people. But all five of my brothers and sisters, all of my nieces and nephews, all of my cousins, there are probably 30 or 40 first cousins, they are all over Colorado. Why are we able to stay in Colorado? Because we have a job. We have a job. That may not sound like a lot. Up here we get paid. We have got an automatic job for 2 years. Back there some of these people depend on their jobs almost day to day.

Let me give my colleagues an example of what kind of jobs we have in Colorado. On the White River National Forest, the White River National Forest has two predominant uses. Two-thirds of the forest, the predominant use in two-thirds of it is recreation. In one-third of the White River National Forest, the predominant use is wilderness. We have locked it up. I voted for that and it was appropriate to do that. But we intentionally left two-thirds open for recreation. Why? Number one, they do it in a responsible fashion. Two, it provides resources that are not available. You cannot put a ski mountain out in Ohio. They do not have a lot of skiing in Kansas. They do not have much skiing in Mississippi or Missouri or Louisiana or Nevada. They have some in the Sierras, but not much. Colorado has got the natural resource for it. What does that do, that White River National Forest, just that forest? Thirty-five thousand jobs. My neighbors in a lot of cases have those jobs. That is how we are able to stay out in Colorado. We are not Johnny-come-lately. We did not just jump out to Colorado all of a sudden to live. Our families, many of our families have lived there for generations. My family and my wife's family have lived there for many, many generations, but we still welcome people to come out to Colorado. Sure we think it has grown too fast, we wish it were not growing so fast, but we do not think we have the right to shut the door because they did not shut the door on us back in the 1870s when my family came in or the 1880s when Lori's family came in, they did not shut the door on us. They said, Come on in, but we only ask you one thing when you come to Colorado or when you come to the Rockies or Utah, Wyoming or Montana: Be responsible, help us make this a good community to live in, help us retain the beauty of this State, help us follow what Teddy Roosevelt said and, that is, there is a right to use the land but there is not a right to destroy the land.

We think we can use the land, the Federal public lands in Colorado or in the Rockies or in the West in a responsible fashion. I happen to think you can build a ski area and manage it in a responsible way. Many of you have skied in Colorado. Many of your constituents have skied in Colorado. You have been there. You have seen that a lot of those areas, they are managed okay. It has been a fun family vacation. It was a nice way to recreate. Then when you take a look at the areas that are cleared for the ski runs, they are just a pinpoint, a pinpoint in the forest. Many of you have had the opportunity to river raft in the State of Colorado, or Utah or Wyoming or Montana. It is a blast. If you have not done it, do it. It is a great time. And it is a great family activity. We have not destroyed the rivers. We have been doing what Teddy Roosevelt said to do: ''Use it but don't destroy it.''

Some of you may have never heard of Lake Powell but many of you probably have. Do you know what Lake Powell has done for families in this country, how many families are down there instead of having their kids running out to the mall or dad running down to work? They are down together on a little boat on Lake Powell. That lake does a lot. It recreates. ''Use it but

don't destroy it.'' The Roosevelt theory. It is a lot different than the other theories that have come out. When we talk about this, when we talk about where we are going with the future, I have got to tell you, as long as I am in this elected office, I am going to stand as strongly as I can for Colorado and for water rights in the West. I am not just saying that. Because never in my entire career have I felt more of a challenge to the taking of Colorado water than I do today. And never in my career have I felt more of a challenge to those 35,000 jobs on the White River National Forest. Those are not indirect jobs, those are direct jobs. That is not 35,000. In fact, it is 35,000 families live off that forest.

I have never felt a larger threat in my political career to those jobs than the vision coming out of Washington, D.C., the vision that we cannot manage it, the vision that they need to protect us, to protect us from ourselves. How many of you have ever mountain biked out in Colorado? That is a relatively new sport. But if you have, you have really gotten into some of that terrain and you have been able to access it, you did not have to hike for miles, you have been able to ride in there on your bike. Minimal damage to the environment. We managed it well, despite the fact that Washington thinks they need to protect us from ourselves. We followed the Roosevelt theory: ''Use it but don't abuse it.''

It is the same thing with any other type of activity you can imagine, whether it is kayaking, whether it is hiking, and so on. You get my message, my drift, what I am saying here.

Now, what about some of the other issues? What about some of the other jobs? I do not think it is shameful to have a sporting goods store and sell sporting goods in Colorado. I do not think it is wrong for a small family to try and go out and harvest some timber. By the way, if you harvest timber with correct management, it is healthy for the forest, it is a renewable resource and, by the way, every one of you in this room tonight, every one of your constituents uses wood that is taken out of some forest somewhere at some time. Every chair in here. You look around. You know what I mean. Wood is everywhere. It is a renewable resource. But you have to follow the Roosevelt theory. The Roosevelt theory is: ''Use it but don't abuse it.''

It saddens me to think that here in Washington, D.C., frankly a lot of the national press is buying this hook, line and sinker, they are biting at it just like that, it troubles me that back here in the East, that even the administration in the West Wing, they do not go to the western United States, they make this decision in the West Wing. They have got some confusion there. It bothers me that they are using a deception upon the American people that this land out there, that we are not taking care of that land. It is public land. It is all of our land. I am telling you, we have been on it for a long time. We have lived on it for a long time. We have worked it for a long time. We have used it for a long time. And we have not abused it for a long time.

Folks, do not be sold on this. Do not automatically assume that the West is being destroyed because of the fact that we have ski areas. Do not automatically assume that the West is being destroyed because we have mountain bikes. Do not automatically assume that the West is being destroyed because we allow people to river raft and hike and hunt. Do not automatically assume because it is not true. We do follow the Roosevelt theory: ''Use it but don't abuse it.''

I know that tonight my time is rapidly expiring, but I just want to reiterate a couple of things. Number one, do not forget that the pioneer spirit still exists for a lot of us. We are very proud of our heritage. We are Americans. But we also come from the West. I feel very respectful of the people of the East. But I am not an Easterner. I am a Westerner. I am not out here to destroy the life-style of the East, and I ask you people in the East, do not go out of your way to destroy our life-style in the West. We do not need the eastern United States, the bureaucracies in Washington, D.C. to protect us from ourselves. I think we, much, much better than some of my colleagues and some of the people in the East, understand that land much, much better than you ever will. We have got our hands in the soil. All of us can agree that a common-sense approach is what is reasonable. But that means that these people out here who want to clear-cut every forest, who want to put a ski area on every mountain, who want to build a house on every ridge, who want to put a highway wherever they want to, who want to build townhouses wherever they want, that means these people are going to have to be moved to the middle, and the people out here like Earth First and other hard-core groups out there who think they only have the title to the environment, who think they only have the knowledge to protect that land, who think only they have the historical background to manage that ranch for all of us, that group has also got to be brought to the middle. And here in the middle is not the leader of the United States today, the President of the United States, Bill Clinton. That is not who is here in the middle today. He is over here. What is in the middle today was what was in the middle at the turn of the century and many years ago, and, that is, Teddy Roosevelt. Teddy Roosevelt is who is in the middle.

And remember, and I will conclude with Teddy Roosevelt's comments, and I will paraphrase him: ''You have the right to use it but you don't have the right to abuse it or destroy it.'' Teddy Roosevelt had it right. It should be Teddy Roosevelt's path that we follow. Do not be misguided down the path of President Clinton. Follow the path of Teddy Roosevelt: ''Use it and enjoy it, but don't abuse it and destroy it.''

RECESS

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

Accordingly (at 9 o'clock and 27 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2307

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 11 o'clock and 7 minutes p.m.

CONFERENCE REPORT ON H.R. 2684, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2000

Mr. WALSH submitted the following conference report and statement on the bill (H.R. 2684) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes:

CONFERENCE REPORT (H. REPT. 106–379)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2684) ''making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes'', having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFERS OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits,

emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), $21,568,364,000, to remain available until expended: Provided, That not to exceed $17,932,000 of the amount appropriated shall be reimbursed to ''General operating expenses'' and ''Medical care'' for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the ''Compensation and pensions'' appropriation: Provided further, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to ''Medical facilities revolving fund'' to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by 38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61, $1,469,000,000, to remain available until expended: Provided, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, $28,670,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That during fiscal year 2000, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $156,958,000, which may be transferred to and merged with the appropriation for ''General operating expenses''.

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $214,000, which may be transferred to and merged with the appropriation for ''General operating expenses''.

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $57,000, as authorized by 38 U.S.C. chapter 31, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $2,531,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $415,000, which may be transferred to and merged with the appropriation for ''General operating expenses''.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $520,000, which may be transferred to and merged with the appropriation for ''General operating expenses''.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, including the cost of modifying loans, of guaranteed loans as authorized by 38 U.S.C. chapter 37 subchapter VI, $48,250,000, to remain available until expended: Provided, That no more than five loans may be guaranteed under this program prior to November 11, 2001: Provided further, That no more than fifteen loans may be guaranteed under this program: Provided further, That the total principal amount of loans guaranteed under this program may not exceed $100,000,000: Provided further, That not to exceed $750,000 of the amounts appropriated by this Act for ''General operating expenses'' and ''Medical care'' may be expended for the administrative expenses to carry out the guaranteed loan program authorized by 38 U.S.C. chapter 37, subchapter VI.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the Department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the Department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq.; and not to exceed $8,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 8110(a)(5), $19,006,000,000, plus reimbursements: Provided, That of the funds made available under this heading, $900,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 2000, and shall remain available until September 30, 2001: Provided further, That of the funds made available under this heading, not to exceed $900,000,000 shall be available until September 30, 2001: Provided further, That of the funds made available under this heading, not to exceed $27,907,000 may be transferred to and merged with the appropriation for ''General operating expenses'': Provided further, That the Department shall conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payments for hospital care; and, notwithstanding 31 U.S.C. 3302(b), amounts collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under this heading and the purposes of paying a contractor a percent of the amount collected as a result of an audit carried out by the contractor: Provided further, That all amounts so collected under the preceding proviso with respect to a designated health care region (as that term is defined in 38 U.S.C. 1729A(d)(2)) shall be allocated, net of payments to the contractor, to that region.

In addition, in conformance with Public Law 105–33 establishing the Department of Veterans Affairs Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2001, $321,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities, $59,703,000 plus reimbursements: Provided, That project technical and consulting services offered by the Facilities Management Service Delivery Office, including technical consulting services, project management, real property administration (including leases, site acquisition and disposal activities directly supporting projects), shall be provided to Department of Veterans Affairs components only on a reimbursable basis, and such amounts will remain available until September 30, 2000.

GENERAL POST FUND, NATIONAL HOMES

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $7,000, as authorized by Public Law 102–54, section 8, which shall be transferred from the ''General post fund'': Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $70,000.

In addition, for administrative expenses to carry out the direct loan programs, $54,000, which shall be transferred from the ''General post fund'', as authorized by Public Law 102–54, section 8.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, $912,594,000: Provided, That of the funds made available under this heading, not to exceed $45,600,000 shall be available until September 30, 2001: Provided further, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act.

NATIONAL CEMETERY ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of the National Cemetery Administration, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of two passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, $97,256,000: Provided, That of the amount made available under this heading, not to exceed $117,000 may be transferred to and merged with the appropriation for ''General operating expenses''.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $43,200,000: Provided, That of the amount made available under this heading, not to exceed $30,000 may be transferred to and merged with the appropriation for ''General operating expenses''.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $4,000,000 or more or where funds for a project were made available in a previous major project appropriation, $65,140,000, to remain available until expended: Provided, That except for advance planning of projects (including market-based assessments of health care needs which may or may not lead to capital investments) funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: Provided further, That funds provided in this appropriation for fiscal year 2000, for each approved project shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2000; and (2) by the awarding of a construction contract by September 30, 2001: Provided further, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: Provided further, That no funds from any other account except the ''Parking revolving fund'', may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until 1 year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, where the estimated cost of a project is less than $4,000,000, $160,000,000, to remain available until expended, along with unobligated balances of previous ''Construction, minor projects'' appropriations which are hereby made available for any project where the estimated cost is less than $4,000,000: Provided, That funds in this account shall be available for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected, to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from ''Medical care''.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $90,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $25,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for fiscal year 2000 for ''Compensation and pensions'', ''Readjustment benefits'', and ''Veterans insurance and indemnities'' may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2000 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for ''Construction, major projects'', ''Construction, minor projects'', and the ''Parking revolving fund'') shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the ''Medical care'' account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2000 for ''Compensation and pensions'', ''Readjustment benefits'', and ''Veterans insurance and indemnities'' shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1999.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2000 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from ''Compensation and pensions''.

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2000, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the ''General operating expenses'' account for the cost of administration of the insurance programs financed through those accounts: Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2000, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: Provided further, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: Provided further, That the Secretary shall determine the cost of administration for fiscal year 2000, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. (a) The Congress supports efforts to implement improvements in health care services for veterans in rural areas.

(b) REPORT REQUIRED.—(1) Not later than 6 months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the impact of the allocation of funds under the Veterans Equitable Resource Allocation (VERA) funding formula on the rural subregions of the health care system administered by the Veterans Health Administration.

(2) The report shall include the following:

(A) An assessment of impact of the allocation of funds under the VERA formula on—

(i) travel times to veterans health care in rural areas;

(ii) waiting periods for appointments for veterans health care in rural areas;

(iii) the cost associated with additional community-based outpatient clinics;

(iv) transportation costs; and

(v) the unique challenges that Department of Veterans Affairs medical centers in rural, low-population subregions face in attempting to increase efficiency without large economies of scale.

(B) The recommendations of the Secretary, if any, on how rural veterans' access to health care services might be enhanced.

SEC. 109. The Secretary of Veterans Affairs may carry out a major medical facility project to renovate and construct facilities at the Olin E. Teague Department of Veterans Affairs Medical Center, Temple, Texas, for a joint venture Cardiovascular Institute, in an amount not to exceed $11,500,000. In order to carry out that project, the amount of $11,500,000 appropriated for fiscal year 1998 and programmed for the renovation of Building 9 at the Waco, Texas, Department of Veterans Affairs Medical Center is hereby made available for that project.

SEC. 110. Notwithstanding any other provision of this Act, none of the funds appropriated or otherwise made available in this Act for the Medical Care appropriation of the Department of Veterans Affairs may be obligated for the realignment of the health care delivery system in VISN 12 until 60 days after the Secretary of Veterans Affairs certifies that the Department has: (1) consulted with veterans organizations, medical school affiliates, employee representatives, State veterans and health associations, and other interested parties with respect to the realignment plan to be implemented; and (2) made available to the Congress and the public information from the consultations regarding possible impacts on the accessibility of veterans health care services to affected veterans.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFERS OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families,

the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $11,376,695,000 and amounts that are recaptured in this account, and recaptured under the appropriation for ''Annual contributions for assisted housing'', to remain available until expended: Provided, That of the total amount provided under this heading, $10,990,135,000, of which $6,790,135,000 shall be available on October 1, 1999 and $4,200,000,000 shall be available on October 1, 2000, shall be for assistance under the United States Housing Act of 1937 (''the Act'' herein) (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts, for amendments to section 8 subsidy contracts, for enhanced vouchers (including amendments and renewals) under any provision of law authorizing such assistance under section 8(t) of the United States Housing Act of 1937 (47 U.S.C. 1437f(t)), as added by section 538 of title V of this Act, and contracts entered into pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act: Provided further, That amounts available under the first proviso under this heading may be available for section 8 rental assistance under the United States Housing Act of 1937: (1) to relocate residents of properties: (A) that are owned by the Secretary and being disposed of; or (B) that are discontinuing section 8 project-based assistance; (2) for relocation and replacement housing for units that are demolished or disposed of: (A) from the public housing inventory (in addition to amounts that may be available for such purposes under this and other headings); or (B) pursuant to section 24 of the United States Housing Act of 1937 or to other authority for the revitalization of severely distressed public housing, as set forth in the Appropriations Acts for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies for fiscal years 1993, 1994, 1995, and 1997, and in the Omnibus Consolidated Rescissions and Appropriations Act of 1996; (3) for the conversion of section 23 projects to assistance under section 8; (4) for funds to carry out the family unification program; (5) for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency; and (6) for the 1-year renewal of section 8 contracts for units in a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990: Provided further, That of the total amount provided under this heading, $40,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 1361l), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: Provided further, That amounts available under this heading may be made available for administrative fees and other expenses to cover the cost of administering rental assistance programs under section 8 of the United States Housing Act of 1937: Provided further, That the fee otherwise authorized under section 8(q) of such Act shall be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: Provided further, That all balances for the section 8 rental assistance, section 8 counseling, section 8 new construction, section 8 substantial rehabilitation, relocation/replacement/demolition, section 23 conversions, rental and disaster vouchers, loan management set-aside, section 514 technical assistance, and other programs previously funded within the ''Annual Contributions'' account shall be transferred to this account, to be available for the purposes for which they were originally appropriated: Provided further, That all balances in the ''Section 8 Reserve Preservation'' account shall be transferred to this account, to be available for the purposes for which they were originally appropriated: Provided further, That the unexpended amounts previously appropriated for special purpose grants within the ''Annual Contributions for Assisted Housing'' account shall be recaptured and transferred to this account, to be available for assistance under the Act for use in connection with expiring or terminating section 8 subsidy contracts: Provided further, That of the amounts previously appropriated for property disposition within the ''Annual Contributions for Assisted Housing'' account, up to $79,000,000 shall be transferred to this account, to be available for assistance under the Act for use in connection with expiring or terminating section 8 subsidy contracts: Provided further, That of the unexpended amounts previously appropriated for carrying out the Low-Income Housing Preservation and Resident Homeownership Act of 1990 and the Emergency Low Income Housing Preservation Act of 1987, other than amounts made available for rental assistance, within the ''Annual Contributions for Assisted Housing'' and ''Preserving Existing Housing Investments'' accounts, shall be recaptured and transferred to this account, to be available for assistance under the Act for use in connection with expiring or terminating section 8 subsidy contracts: Provided further, That of the total amount provided under this heading, $346,560,000 shall be made available for incremental vouchers under section 8 of the United States Housing Act of 1937 on a fair share basis and administered by public housing agencies: Provided further, That of the balances remaining from funds appropriated under this heading or the heading ''Annual Contributions for Assisted Housing'' during fiscal year 2000 and prior years, $2,243,000,000 is rescinded: Provided further, That of the amount rescinded under the previous proviso, $1,300,000,000 shall be from amounts recaptured and the Secretary shall have discretion to specify the amounts to be rescinded from each of the foregoing accounts, $505,000,000 shall be from unobligated balances, and $438,000,000 shall be from amounts that were appropriated in fiscal year 1999 and prior years for section 8 assistance including assistance to relocate residents of properties that are owned by the Secretary and being disposed of or that are discontinuing section 8 project-based assistance, for relocation and replacement housing for units that are demolished or disposed of from the public housing inventory, and for enhanced vouchers as provided under the ''Preserving Existing Housing Investment'' account in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204).

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,900,000,000, to remain available until expended: Provided, That of the total amount, up to $75,000,000 shall be for carrying out activities under section 9(h) of such Act, and for lease adjustments to section 23 projects: Provided further, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937: Provided further, That of the total amount, up to $75,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2000: Provided further, That all balances for debt service for Public and Indian Housing and Public and Indian Housing Grants previously funded within the ''Annual Contributions for Assisted Housing'' account shall be transferred to this account, to be available for the purposes for which they were originally appropriated.

PUBLIC HOUSING OPERATING FUND

(INCLUDING TRANSFERS OF FUNDS)

For payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $3,138,000,000, to remain available until expended: Provided, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

For grants to public housing agencies and Indian tribes and their tribally designated housing entities for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $310,000,000, to remain available until expended: Provided, That of the total amount provided under this heading, up to $4,500,000 shall be solely for technical assistance, technical assistance grants, training, and program assessment for or on behalf of public housing agencies, resident organizations, and Indian tribes and their tribally designated housing entities (including up to $150,000 for the cost of necessary travel for participants in such training): Provided further, That of the amount provided under this heading, $10,000,000 shall be used in connection with efforts to combat violent crime in public and assisted housing under the Operation Safe Home Program administered by the Inspector General of the Department of Housing and Urban Development: Provided further, That of the amount under this heading, $10,000,000 shall be provided to the Office of Inspector General for Operation Safe Home: Provided further, That of the amount under this heading, $20,000,000 shall be available for a program named the New Approach Anti-Drug program which will provide competitive grants to entities managing or operating public housing developments, federally assisted multifamily housing developments, or other multifamily housing developments for low-income families supported by non-Federal governmental entities or similar housing developments supported by nonprofit private sources in order to provide or augment security (including personnel costs), to assist in the investigation and/or prosecution of drug related criminal activity in and around such developments, and to provide assistance for the development of capital improvements at such developments directly relating to the security of such developments: Provided further, That grants for the New Approach Anti-Drug program shall be made on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, $575,000,000 to remain available until expended of which the Secretary may use up to $10,000,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost

of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and to residents: Provided, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein: Provided further, That of the amount provided under this heading, $1,200,000 shall be contracted through the Secretary to be used by the Urban Institute to conduct an independent study on the long-term effects of the HOPE VI program on former residents of distressed public housing developments.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFER OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (Public Law 104–330), $620,000,000, to remain available until expended, of which $2,000,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA and up to $4,000,000 by the Secretary to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the oversight and management of Indian housing and tenant-based assistance, including up to $200,000 for related travel: Provided, That of the amount provided under this heading, $6,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: Provided further, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed $54,600,000: Provided further, That for administrative expenses to carry out the guaranteed loan program, up to $200,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for ''Salaries and expenses'', to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739), $6,000,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $71,956,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $150,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for ''Salaries and expenses'', to be used only for the administrative costs of these guarantees.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), $232,000,000, to remain available until expended: Provided, That the Secretary may use up to 0.75 percent of the funds under this heading for technical assistance.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, $25,000,000, to remain available until expended: Provided, That of the amount under this heading, up to $3,000,000 shall be used to develop capacity at the State and local level for developing rural housing and for rural economic development and for maintaining a clearinghouse of ideas for innovative strategies for rural housing and economic development and revitalization: Provided further, That of the amount under this heading, at least $22,000,000 shall be awarded by June 1, 2000 to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing and economic development activities in rural areas: Provided further, That all grants shall be awarded on a competitive basis as specified in section 102 of the HUD Reform Act.

AMERICA'S PRIVATE INVESTMENT COMPANIES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans under the America's Private Investment Companies Program, $20,000,000, to remain available until September 30, 2002: Provided, That such costs, including the cost of modifying loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is guaranteed, not to exceed $541,000,000: Provided further, That the funds appropriated under this heading shall not be available for obligation until the America's Private Investment Companies Program is authorized by subsequent legislation and the program is developed subject to notice and comment rulemaking: Provided further, That if the authorizing legislation is not enacted by June 30, 2000, all funds under this heading shall be transferred to and merged with the appropriation for the ''Community development financial institutions fund program account'' to be available for use as grants and loans under that account.

URBAN EMPOWERMENT ZONES

For grants in connection with a second round of the empowerment zones program in urban areas, designated by the Secretary of Housing and Urban Development in fiscal year 1999 pursuant to the Taxpayer Relief Act of 1997, $55,000,000 to the Secretary of Housing and Urban Development for ''Urban Empowerment Zones'', including $3,666,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone, to remain available until expended.

RURAL EMPOWERMENT ZONES

For grants for the rural empowerment zone and enterprise communities programs, as designated by the Secretary of Agriculture, $15,000,000 to the Secretary of Agriculture for grants for designated empowerment zones in rural areas and for grants for designated rural enterprise communities, to remain available until expended.

COMMUNITY DEVELOPMENT BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, to carry out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (the ''Act'' herein) (42 U.S.C. 5301), $4,800,000,000, to remain available until September 30, 2002: Provided, That $67,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act, $3,000,000 shall be available as a grant to the Housing Assistance Council, $2,200,000 shall be available as a grant to the National American Indian Housing Council, and $41,500,000 shall be for grants pursuant to section 107 of the Act including $2,000,000 to support Alaska Native serving institutions and native Hawaiian serving institutions, as defined under the Higher Education Act, as amended: Provided further, That $20,000,000 shall be for grants pursuant to the Self Help Housing Opportunity Program: Provided further, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974, as amended) shall be expended for ''Planning and Management Development'' and ''Administration'' as defined in regulations promulgated by the Department: Provided further, That all balances for the Economic Development Initiative grants program, the John Heinz Neighborhood Development program, grants to Self Help Housing Opportunity program, and the Moving to Work Demonstration program previously funded within the ''Annual Contributions for Assisted Housing'' account shall be transferred to this account, to be available for the purposes for which they were originally appropriated.

Of the amount made available under this heading, $23,750,000 shall be made available for capacity building, of which $20,000,000 shall be made available for ''Capacity Building for Community Development and Affordable Housing,'' for LISC and the Enterprise Foundation for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (Public Law 103–120), as in effect immediately before June 12, 1997, with not less than $4,000,000 of the funding to be used in rural areas, including tribal areas, and of which $3,750,000 shall be made available to Habitat for Humanity International.

Of the amount made available under this heading, the Secretary of Housing and Urban Development may use up to $55,000,000 for supportive services for public housing residents, as authorized by section 34 of the United States Housing Act of 1937, as amended, and for grants for service coordinators and congregate services for the elderly and disabled residents of public and assisted housing: Provided further, That amounts made available for congregate services and service coordinators for the elderly and disabled under this heading and in prior fiscal years may be used by grantees to reimburse themselves for costs incurred in connection with providing service coordinators previously advanced by grantees out of other funds due to delays in the granting by or receipt of funds from the Secretary, and the funds so made available to grantees for congregate services or service coordinators under this heading or in prior years shall be considered as expended by the grantees upon such reimbursement. The Secretary shall not condition the availability of funding made available under this heading or in prior years for congregate services or service coordinators upon any grantee's obligation or expenditure of any prior funding.

Of the amount made available under this heading, $30,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives: Provided, that any unobligated balances of amounts set aside for neighborhood initiatives in fiscal years 1998 and 1999 may be utilized for any of the foregoing purposes: Provided further, That of the amount set aside for fiscal year 2000 under this paragraph, $23,000,000 shall be used for grants specified in the statement of the Managers of the Committee of Conference accompanying this Act.

Of the amount made available under this heading, $30,000,000 shall be available for neighborhood initiatives.

Of the amount made available under this heading, notwithstanding any other provision

of law, $42,500,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: Provided, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: Provided further, That of the amount provided under this paragraph, $2,500,000 shall be set aside and made available for a grant to Youthbuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Of the amount made available under this heading, $275,000,000 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of economic development efforts, including $240,000,000 for making individual grants for targeted economic investments in accordance with the terms and conditions specified for such grants in the statement of the managers of the committee of conference accompanying this Act.

For the cost of guaranteed loans, $29,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,261,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974: Provided further, That in addition, for administrative expenses to carry out the guaranteed loan program, $1,000,000, which shall be transferred to and merged with the appropriation for ''Salaries and expenses''.

The Secretary is directed to transfer the administration of the small cities component of the Community Development Block Grant Program for the funds allocated for the State of New York under section 106(d) of the Housing and Community Development Act of 1974 for fiscal year 2000 and all fiscal years thereafter to the State of New York to be administered by the Governor of New York.

BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, $25,000,000, to remain available until expended: Provided, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), as amended, $1,600,000,000, to remain available until expended: Provided, That up to $15,000,000 of these funds shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968: Provided further, That $2,000,000 of these funds shall be made available as a grant to the National Housing Development Corporation for a program of housing acquisition and rehabilitation: Provided further, That all Housing Counseling program balances previously appropriated in the ''Housing Counseling Assistance'' account shall be transferred to this account, to be available for the purposes for which they were originally appropriated.

HOMELESS ASSISTANCE GRANTS

For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act, as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; and the shelter plus care program (as authorized under subtitle F of title IV of such Act), $1,020,000,000, to remain available until expended: Provided, That not less than 30 percent of these funds shall be used for permanent housing, and all funding for services must be matched by 25 percent in funding by each grantee: Provided further, That the Secretary of Housing and Urban Development shall conduct a review of any balances of amounts provided under this heading in any previous appropriations Acts that have been obligated but remain unexpended and shall deobligate any such amounts that the Secretary determines were obligated for contracts that are unlikely to be performed and award such amounts during this fiscal year: Provided further, That up to 1 percent of the funds appropriated under this heading may be used for technical assistance: Provided further, That all balances previously appropriated in the ''Emergency Shelter Grants'', ''Supportive Housing'', ''Supplemental Assistance for Facilities to Assist the Homeless'', ''Shelter Plus Care'', ''Section 8 Moderate Rehabilitation Single Room Occupancy'', and ''Innovative Homeless Initiatives Demonstration'' accounts shall be transferred to and merged with this account, to be available for any authorized purpose under this heading.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, $911,000,000, to remain available until expended: Provided, That $710,000,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for the elderly under such section 202(c)(2), and for supportive services associated with the housing of which amount $50,000,000 shall be for service coordinators and continuation of existing congregate services grants for residents of assisted housing projects, and of which amount $50,000,000 shall be for grants for conversion of existing section 202 projects, or portions thereof, to assisted living or related use, consistent with the relevant provision of title V of this Act: Provided further, That of the amount under this heading, $201,000,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance, for amendments to contracts for project rental assistance, and supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act: Provided further, That the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is five years in duration: Provided further, That the Secretary may waive any provision of such section 202 and such section 811 (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 1999, and any collections made during fiscal year 2000, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2000, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $140,000,000,000.

During fiscal year 2000, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $100,000,000: Provided, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $330,888,000, of which not to exceed $324,866,000 shall be transferred to the appropriation for ''Salaries and expenses''; not to exceed $4,022,000 shall be transferred to the appropriation for the Office of Inspector General. In addition, for administrative contract expenses, $160,000,000: Provided, That to the extent guaranteed loan commitments exceed $49,664,000,000 on or before April 1, 2000, an additional $1,400 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below $1,000,000), but in no case shall funds made available by this proviso exceed $16,000,000.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications (as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended), $153,000,000, including not to exceed $153,000,000 from unobligated balances previously appropriated under this heading, to remain available until expended: Provided, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $18,100,000,000: Provided further, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed $50,000,000; of which not to exceed $30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned

by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $211,455,000 (including not to exceed $147,000,000 from unobligated balances previously appropriated under this heading), of which $193,134,000, shall be transferred to the appropriation for ''Salaries and expenses''; and of which $18,321,000 shall be transferred to the appropriation for the Office of Inspector General. In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, $144,000,000: Provided, That to the extent guaranteed loan commitments exceed $7,263,000,000 on or before April 1, 2000, an additional $19,800 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments over $7,263,000,000 (including a pro rata amount for any increment below $1,000,000), but in no case shall funds made available by this proviso exceed $14,400,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 2000, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $200,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000 to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for departmental ''Salaries and expenses''.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $45,000,000, to remain available until September 30, 2001: Provided, That of the amount provided under this heading, $10,000,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative and $500,000 shall be for a commission established in section 525 of title V of this Act.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $44,000,000, to remain available until September 30, 2001, of which $24,000,000 shall be to carry out activities pursuant to such section 561: Provided, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

(INCLUDING TRANSFER OF FUNDS)

For the Lead Hazard Reduction Program, as authorized by sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992, $80,000,000 to remain available until expended, of which $1,000,000 shall be for CLEARCorps and $10,000,000 shall be for a Healthy Homes Initiative, which shall be a program pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related environmental diseases and hazards: Provided, That all balances for the Lead Hazard Reduction Programs previously funded in the Annual Contributions for Assisted Housing and Community Development Block Grant accounts shall be transferred to this account, to be available for the purposes for which they were originally appropriated.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $1,005,733,000, of which $518,000,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the ''Community development block grants program'' account, $150,000 shall be provided by transfer from the ''Title VI indian federal guarantees program'' account, and $200,000 shall be provided by transfer from the ''Indian housing loan guarantee fund program'' account: Provided, That the Secretary is prohibited from using any funds under this heading or any other heading in this Act from employing more than 77 schedule C and 20 noncareer Senior Executive Service employees: Provided further, That the Secretary is prohibited from using funds under this heading or any other heading in this Act to employ more than 9,300 employees: Provided further, That the Secretary is prohibited from using funds under this heading or any other heading in this Act to convert any external community builders to career employees, and after September 1, 2000 to employ any external community builders: Provided further, That the Secretary is prohibited from using funds under this heading or any other heading in this Act to employ more than 14 employees in the Office of Public Affairs: Provided further, That of the amount made available under this heading, $2,000,000 shall be for the Millennial Housing Commission as established under section 206.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $83,000,000, of which $22,343,000 shall be provided from the various funds of the Federal Housing Administration and $10,000,000 shall be provided from the amount earmarked for Operation Safe Home in the appropriation for ''Drug elimination grants for low-income housing'': Provided, That the Inspector General shall have independent authority over all personnel issues within the Office of Inspector General.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, including not to exceed $500 for official reception and representation expenses, $19,493,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: Provided, That not to exceed such amount shall be available from the General Fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: Provided further, That the General Fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the General Fund estimated at not more than $0.

ADMINISTRATIVE PROVISIONS

FINANCING ADJUSTMENT FACTORS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

FAIR HOUSING AND FREE SPEECH

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2000 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a nonfrivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a government official or entity, or a court of competent jurisdiction.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANTS

SEC. 203. Section 207 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, is amended by striking wherever it occurs ''fiscal year 1999'' and inserting ''fiscal years 1999 and 2000''.

REPROGRAMMING

SEC. 204. Of the amounts made available under the sixth undesignated paragraph under the heading ''COMMUNITY PLANNING AND DEVELOPMENT—COMMUNITY DEVELOPMENT BLOCK GRANTS'' in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Public Law 105–276; 112 Stat. 2477) for the Economic Development Initiative (EDI) for grants for targeted economic investments, the $1,000,000 to be made available (pursuant to the related provisions of the joint explanatory statement in the conference report to accompany such Act (Report 105–769, 105th Congress, 2d Session)) to the City of Redlands, California, for the redevelopment initiatives near the historic Fox Theater shall, notwithstanding such provisions, be made available to such City for the following purposes:

(1) $700,000 shall be for renovation of the City of Redlands Fire Station No. 1;

(2) $200,000 shall be for renovation of the Mission Gables House at the Redlands Bowl historic outdoor amphitheater; and

(3) $100,000 shall be for the preservation of historic Hillside Cemetery.

ADJUSTMENTS TO INCOME ELIGIBILITY FOR UNUSUALLY HIGH OR LOW FAMILIES INCOMES IN ASSISTED HOUSING

SEC. 205. Section 16 of the United States Housing Act of 1937 is amended—

(1) in subsection (a)(2)(A), by inserting before the period the following: ''; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes''; and

(2) in subsection (c)(3), by inserting before the period the following: ''; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income

on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes''.

MILLENNIAL HOUSING COMMISSION

SEC. 206. (a) ESTABLISHMENT.—There is hereby established a commission to be known as the Millennial Housing Commission (in this section referred to as the ''Commission''.

(b) STUDY.—The duty of the Commission shall be to conduct a study that examines, analyzes, and explores—

(1) the importance of housing, particularly affordable housing which includes housing for the elderly, to the infrastructure of the United States;

(2) the various possible methods for increasing the role of the private sector in providing affordable housing in the United States, including the effectiveness and efficiency of such methods; and

(3) whether the existing programs of the Department of Housing and Urban Development work in conjunction with one another to provide better housing opportunities for families, neighborhoods, and communities, and how such programs can be improved with respect to such purpose.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 22 members, appointed not later than January 1, 2000, as follows:

(A) Two co-chairpersons appointed by—

(i) one co-chairperson appointed by a committee consisting of the chairmen of the Subcommittees on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies of the Committees on Appropriations of the House of Representatives and the Senate, and the chairman of the Subcommittee on Housing and Community Opportunities of the House of Representatives and the chairman of the Subcommittee on Housing and Transportation of the Senate; and

(ii) one co-chairperson appointed by a committee consisting of the ranking minority members of the Subcommittees on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies of the Committees on Appropriations of the House of Representatives and the Senate, and the ranking minority member of the Subcommittee on Housing and Community Opportunities of the House of Representatives and the ranking minority member of the Subcommittee on Housing and Transportation of the Senate.

(B) Ten members appointed by the Chairman and Ranking Minority Member of the Committee on Appropriations of the House of Representatives and the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(C) Ten members appointed by the Chairman and Ranking Minority Member of the Committee on Appropriations of the Senate and the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) QUALIFICATIONS.—Appointees should have proven expertise in directing, assemblying, or applying capital resources from a variety of sources to the successful development of affordable housing or the revitalization of communities, including economic and job development.

(3) VACANCIES.—Any vacancy on the Commission shall not affect its powers and shall be filled in the manner in which the original appointment was made.

(4) CHAIRPERSONS.—The members appointed pursuant to paragraph (1)(A) shall serve as co-chairpersons of the Commission.

(5) PROHIBITION OF PAY.—Members of the Commission shall serve without pay.

(6) TRAVEL EXPENSES.—Each member of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(7) QUORUM.—A majority of the members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(8) MEETINGS.—The Commission shall meet at the call of the Chairpersons.

(d) DIRECTOR AND STAFF.—

(1) DIRECTOR.—The Commission shall have a Director who shall be appointed by the Chairperson. The Director shall be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(2) STAFF.—The Commission may appoint personnel as appropriate. The staff of the Commission shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.

(3) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for the General Schedule.

(4) STAFF OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this Act.

(e) POWERS.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate.

(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairpersons of the Commission, the head of that department or agency shall furnish that information to the Commission.

(4) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Commission.

(5) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

(7) CONTRACT AUTHORITY.—The Commission may contract with and compensate government and private agencies or persons for services, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(f) REPORT.—The Commission shall submit to the Committees on Appropriations and Banking and Financial Services of the House of Representatives and the Committees on Appropriations and Banking, Housing, and Urban Affairs of the Senate a final report not later than March 1, 2002. The report shall contain a detailed statement of the findings and conclusions of the Commission with respect to the study conducted under subsection (b), together with its recommendations for legislation, administrative actions, and any other actions the Commission considers appropriate.

(g) TERMINATION.—The Commission shall terminate on June 30, 2002. section 14(a)(2)(B) of the Federal Advisory Committee Act (5 U.S.C. App.; relating to the termination of advisory committees) shall not apply to the Commission.

FHA TECHNICAL CORRECTION

SEC. 207. Section 203(b)(2)(A)(ii) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)(ii)) is amended by adding before ''48 percent'' the following: ''the greater of the dollar amount limitation in effect under this section for the area on the date of the enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act for Fiscal Year 1999 or''.

RESCISSIONS

SEC. 208. Of the balances remaining from funds appropriated to the Department of Housing and Urban Development in Public Law 105–65 and prior appropriations Acts, $74,400,000 is rescinded: Provided, That the amount rescinded shall be comprised of—

(1) $30,552,000 of the amounts that were appropriated for the modernization of public housing unit; under the heading ''Annual contributions for assisted housing'', including an amount equal to the amount transferred from such account to, and merged with amounts under the heading ''Public housing capital fund'';

(2) $3,048,000 of the amounts from which no disbursements have been made within five successive fiscal years beginning after September 30, 1993, that were appropriated under the heading ''Annual contributions for assisted housing'', including an amount equal to the amount transferred from such account to the account under the heading ''Housing certificate fund'';

(3) $22,975,000 of amounts appropriated for homeownership assistance under section 235(r) of the National Housing Act, including $6,875,000 appropriated in Public Law 103–327 (approved September 28, 1994, 104 Stat. 2305) for such purposes;

(4) $11,400,000 of the amounts appropriated for the Homeownership and Opportunity for People Everywhere programs (HOPE programs), as authorized by the Cranston-Gonzalez National Affordable Housing Act; and

(5) $6,400,000 of the balances remaining in the account under the heading ''Nonprofit Sponsor Assistance Account''.

GRANT FOR NATIONAL CITIES IN SCHOOLS

SEC. 209. For a grant to the National Cities in Schools Community Development program under section 930 of the Housing and Community Development Act of 1992, $5,000,000.

MOVING TO WORK DEMONSTRATION

SEC. 210. For the Jobs-Plus Initiative of the Moving to Work Demonstration, $5,000,000 to cover the cost of rent-based work incentives to families in selected public housing developments, who shall be encouraged to go to work under work incentive plans approved by the Secretary and carefully tracked as part of the research and demonstration effort.

REPEALER

SEC. 211. Section 218 of Public Law 104–204 is repealed.

FHA ADMINISTRATIVE CONTRACT EXPENSE AUTHORITY

SEC. 212. Section 1 of the National Housing Act (12 U.S.C. 1702) is amended by inserting the following new sentence after the first proviso: ''Except with respect to title III, for the purposes of this section, the term ''nonadministrative'' shall not include contract expenses that are not capitalized or routinely deducted from the proceeds of sales, and such expenses shall not be payable from funds made available by this Act.''.

FULL PAYMENT OF CLAIMS

SEC. 213. (a) Section 541 of the National Housing Act is amended—

(1) by amending the heading to read as follows: ''PARTIAL PAYMENT OF CLAIMS ON DEFAULTED MORTGAGES AND IN CONNECTION WITH MORTGAGE RESTRUCTURING''; and

(2) in subsection (b), by striking ''partial payment of the claim under the mortgage insurance contract'' and inserting, ''partial or full payment of claim under one or more mortgage insurance contracts''.

(b) Section 517 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 is amended by adding a new subsection (a)(6) to read as follows: ''(6) The second mortgage under this section may be a first mortgage if no restructured or new first mortgage will meet the requirement of paragraph (1)(A).''.

AVAILABILITY OF INCOME MATCHING INFORMATION

SEC. 214. (a) Section 3(f) of the United States Housing Act of 1937 (42 U.S.C. 1437a), as amended by section 508(d)(1) of the Quality Housing and Work Responsibility Act of 1998, is further amended—

(1) in paragraph (1)—

(A) after the first appearance of ''public housing agency'', by inserting '', or the owner responsible for determining the participant's eligibility or level of benefits,''; and

(B) after ''as applicable'', by inserting '', or to the owner responsible for determining the participant's eligibility or level of benefits''; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''or'';

(B) in subparagraph (B), by striking the period and inserting '', or''; and

(C) by inserting at the end the following new subparagraph:

''(C) for which project-based assistance is provided under section 8, section 202, or section 811.''.

(b) Section 904(b) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544), as amended by section 508(d)(2) of the Quality Housing and Work Responsibility Act of 1998, is further amended in paragraph (4)—

(1) by inserting after ''public housing agency'' the first time it appears the following: '', or the owner responsible for determining the participant's eligibility or level of benefits,''; and

(2) by striking ''the public housing agency verifying income'' and inserting ''verifying income''.

EXEMPTION FOR ALASKA AND MISSISSIPPI FROM REQUIREMENT OF RESIDENT ON BOARD

SEC. 215. Public housing agencies in the states of Alaska and Mississippi shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, during fiscal year 2000.

ADMINISTRATION OF THE CDBG PROGRAM BY NEW YORK STATE

SEC. 216. The Secretary of Housing and Urban Development shall transfer on the date of the enactment of this Act the administration of the Small Cities component of the Community Development Block Grants program for all funds allocated for the State of New York under section 106(d) of the Housing and Community Development Act of 1974 for fiscal year 2000 and all fiscal years thereafter, to the State of New York to be administered by the Governor of such State.

SECTION 202 EXEMPTION

SEC. 217. Notwithstanding section 202 of the Housing Act of 1959 or any other provision of law, Peggy A. Burgin may not be disqualified on the basis of age from residing at Clark's Landing in Groton, Vermont.

DARLINTON PRESERVATION AMENDMENT

SEC. 218. Notwithstanding any other provision of law, upon prepayment of the FHA-insured Section 236 mortgage, the Secretary shall continue to provide interest reduction payment in accordance with the existing amortization schedule for Darlinton Manor Apartments, a 100-unit project located at 606 North 5th Street, Bozemen, Montana, which will continue as affordable housing pursuant to a use agreement with the State of Montana.

RISK-SHARING PRIORITY

SEC. 219. Section 517(b)(3) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 is amended by inserting after ''1992.'' the following: ''The Secretary shall use risk-shared financing under section 542(c) of the Housing and Community Development Act of 1992 for any mortgage restructuring, rehabilitation financing, or debt refinancing included as part of a mortgage restructuring and rental assistance sufficiency plan if the terms and conditions are considered to be the best available financing in terms of financial savings to the FHA insurance funds and will result in reduced risk of loss to the Federal Government.''.

TREATMENT OF EXPIRING ECONOMIC DEVELOPMENT INITIATIVE GRANTS

SEC. 220. (a) AVAILABILITY.—Notwithstanding section 1552 of title 31, United States Code, the grant amounts identified in subsection (b) shall remain available to the grantees for the purposes for which such amounts were obligated through September 30, 2000.

(b) GRANTS.—The grant amounts identified in this subsection are the amounts provided under the following grants made by the Secretary of Housing and Urban Development under the economic development initiative under section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(q)):

(1) The grant for Miami, Florida, designated as B–92–ED–12–013.

(2) The grant for Miami Beach, Florida, designated as B–92–ED–12–014.

(c) EFFECTIVE DATE.—This section shall be considered to have taken effect on September 30, 1999. The Secretary of the Treasury and the Secretary of Housing and Urban Development shall take such actions as may be necessary to carry out this section, notwithstanding any actions taken previously pursuant to section 1552 of title 31, United States Code.

USE OF TRUSTS WITH REGARD TO COOPERATIVE HOUSING SECTION

SEC. 221. Section 213(a) of the National Housing Act (12 U.S.C. 1715e(a)) is amended by adding at the end the following new sentence: ''Nothing in this section may be construed to prevent membership in a nonprofit housing cooperative from being held in the name of a trust, the beneficiary of which shall occupy the dwelling unit in accordance with rules and regulations prescribed by the Secretary.''.

GRANT TECHNICAL CORRECTION

SEC. 222. Notwithstanding any other provision of law, the amount made available under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991 (Public Law 101–507) for a special purpose grant under section 107 of the Housing and Community Development Act of 1974 to the County of Hawaii for the purpose of an environmental impact statement for the development of a water resource system in Kohala, Hawaii, that is unobligated on the date of the enactment of this Act, may be used to fund water system improvements, including exploratory wells, well drillings, pipeline replacements, water system planning and design, and booster pump and reservoir development.

REUSE OF CERTAIN BUDGET AUTHORITY

SEC. 223. section 8(z) of the United States Housing Act of 1937 is amended—

(1) in paragraph (1)—

(A) by inserting after ''on account of'' the following: ''expiration or''; and

(B) by striking the parenthetical phrase; and

(2) by striking paragraph (3).

SECTION 108 WAIVER

SEC. 224. With respect to the $6,700,000 commitment in connection with guaranteed obligations for the Sandtown-Winchester Home Ownership Zone under section 108 of the Housing and Community Development Act of 1974, the Secretary shall not require security in excess of that authorized under section 108(d)(1)(B).

HOPWA TECHNICAL

SEC. 225. (a) Notwithstanding any other provision of law, the amount allocated for fiscal year 2000, and the amounts that would otherwise be allocated for fiscal year 2001, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA-NJ Primary Metropolitan Area (hereafter ''metropolitan area''), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amounts by allocating to the State of New Jersey the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the state under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, $28,467,000, to remain available until expended.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, including hire of passenger vehicles, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $8,000,000: Provided, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

For grants, loans, and technical assistance to qualifying community development lenders, and administrative expenses of the Fund, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $95,000,000, to remain available until September 30, 2001, of which up to $7,860,000 may be used for administrative expenses, up to $16,500,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: Provided, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $53,140,000: Provided further, That not more than $30,000,000 of the funds made available under

this heading may be used for programs and activities authorized in section 114 of the Community Development Banking and Financial Institutions Act of 1994.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $49,000,000.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the ''Corporation'') in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the ''Act'') (42 U.S.C. 12501 et seq.), $434,500,000, to remain available until September 30, 2000: Provided, That not more than $28,500,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)) with not less than $1,500,000 targeted to administrative needs, not including salaries and expenses, identified as urgent by the Corporation without regard to the provisions of section 501(a)(4)(B) of the Act: Provided further, That not more than $2,500 shall be for official reception and representation expenses: Provided further, That not more than $70,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.), of which not to exceed $5,000,000 shall be available for national service scholarships for high school students performing community service: Provided further, That not more than $234,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than $45,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)): Provided further, That not more than $7,500,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): Provided further, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): Provided further, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: Provided further, That not more than $18,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): Provided further, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): Provided further, That not more than $28,500,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): Provided further, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): Provided further, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, shall expand significantly the number of educational awards provided under subtitle D of title I, and shall reduce the total Federal costs per participant in all programs: Provided further, That of amounts available in the National Service Trust account from previous appropriations acts, $80,000,000 shall be rescinded.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $4,000,000.

COURT OF VETERANS APPEALS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. 7251–7298, $11,450,000, of which $910,000, shall be available for the purpose of providing financial assistance as de scribed, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of one passenger motor vehicle for replacement only, and not to exceed $1,000 for official reception and representation expenses, $12,473,000, to remain available until expended.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $645,000,000, which shall remain available until September 30, 2001: Provided, That the obligated balance of sums available in this account shall remain available through September 30, 2008 for liquidating obligations made in fiscal years 2000 and 2001: Provided further, That the obligated balance of funds transferred to this account in Public Law 105–276 shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $1,900,000,000, which shall remain available until September 30, 2001: Provided, That the obligated balance of such sums shall remain available through September 30, 2008 for liquidating obligations made in fiscal years 2000 and 2001: Provided further, That none of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol: Provided further, That none of the funds made available in this Act may be used to implement or administer the interim guidance issued on February 5, 1998, by the Environmental Protection Agency relating to title VI of the Civil Rights Act of 1964 and designated as the ''Interim Guidance for Investigating Title VI Administrative Complaints Challenging Permits'' with respect to complaints filed under such title after October 21, 1998, and until guidance is finalized. Nothing in this proviso may be construed to restrict the Environmental Protection Agency from developing or issuing final guidance relating to title VI of the Civil Rights Act of 1964: Provided further, That notwithstanding 7 U.S.C. 136r and 15 U.S.C. 2609, beginning in fiscal year 2000 and thereafter, grants awarded under section 20 of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and section 10 of the Toxic Substances Control Act, as amended, shall be available for research, development, monitoring, public education, training, demonstrations, and studies: Provided further, That the unexpended funds remaining from the $2,200,000 appropriated under this heading in Public Law 105–276 for a grant to the Lake Ponchartrain Basin Foundation circuit rider initiative in Louisiana shall be transferred to the ''State and tribal assistance grants'' appropriation to remain available until expended for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the report accompanying that Act.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $32,409,000, to remain available until September 30, 2001: Provided, That the sums available in this account shall remain available through September 30, 2008 for liquidating obligations made in fiscal years 2000 and 2001: Provided further, That the obligated balance of funds transferred to this account in Public Law 105–276 shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $62,600,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as

amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; $1,400,000,000 (of which $100,000,000 shall not become available until September 1, 2000), to remain available until expended, consisting of $700,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $700,000,000 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended by Public Law 101–508: Provided, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: Provided further, That $11,000,000 of the funds appropriated under this heading shall be transferred to the ''Office of Inspector General'' appropriation to remain available until September 30, 2001: Provided further, That $38,000,000 of the funds appropriated under this heading shall be transferred to the ''Science and technology'' appropriation to remain available until September 30, 2001: Provided further, That notwithstanding section 111(m) of CERCLA or any other provision of law, $70,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry (ATSDR) to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of SARA: Provided further, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: Provided further, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A): Provided further, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2000.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $70,000,000, to remain available until expended.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,466,650,000, to remain available until expended, of which $1,350,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended; $820,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants; $50,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $30,000,000 shall be for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $331,650,000 shall be for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the conference report and joint explanatory statement of the committee of conference accompanying this Act (H.R. 2684); and $885,000,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities: Provided, That notwithstanding section 603(d)(7) of the Federal Water Pollution Control Act, as amended, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2000 and prior years where such amounts represent costs of administering the fund, or by the State of New York for fiscal year 2000 and prior years, costs of capitalizing the fund, to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration, or, by the State of New York for fiscal year 2000 and prior years, for capitalization of the fund: Provided further, That notwithstanding section 518(f) of the Federal Water Pollution Control Act, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian Tribes pursuant to section 319(h) and 518(e) of that Act: Provided further, That notwithstanding any other provision of law, in the case of a publicly owned treatment works in the District of Columbia, the Federal share of grants awarded under title II of the Federal Water Pollution Control Act, beginning October 1, 1999 and continuing through September 30, 2001, shall be 80 percent of the cost of construction, and all grants made to such publicly owned treatment works in the District of Columbia may include an advance of allowance under section 201(l)(2): Provided further, That the $2,200,000 appropriated in Public Law 105–276 in accordance with House Report No. 105–769, for a grant to the Charleston, Utah Water Conservancy District, as amended by Public Law 106–31, shall be awarded to Wasatch County, Utah, for water and sewer needs: Provided further, That the funds appropriated under this heading in Public Law 105–276 for the City of Fairbanks, Alaska, water system improvements shall instead be for the Matanuska-Susitna Borough, Alaska, water and sewer improvements: Provided further, That notwithstanding any other provision of law, all claims for principal and interest registered through grant dispute AA–91–AD34 (05–90–AD09) or any other such dispute hereafter filed by the Environmental Protection Agency relative to water pollution control center and sewer system improvement grants numbers C–390996–01, C–390996–2, and C–390996–3 made in 1976 and 1977 are hereby resolved in favor of the grantee.

The Environmental Protection Agency and the New York State Department of Environmental Conservation are authorized to award, from construction grant reallotments to the State of New York of previously appropriated funds, supplemental grant assistance to Nassau County, New York, for additional odor control at the Bay Park and Cedar Creek wastewater treatment plants, notwithstanding initiation of construction or prior State Revolving Fund funding. Nassau County may elect to accept a combined lump-sum of $15,000,000, paid in advance of construction, in lieu of a 75 percent entitlement, to minimize grant and project administration.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,108,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,827,000: Provided, That, notwithstanding any other provision of law, no funds other than those appropriated under this heading shall be used for or by the Council on Environmental Quality and Office of Environmental Quality: Provided further, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,666,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $300,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended, of which not to exceed $2,900,000 may be transferred to ''Emergency Management Planning and Assistance'' for the consolidated emergency management performance grant program: Provided, That of the funds made available under this heading in this and prior Appropriations Acts and under section 404 of the Stafford Act to the State of California, $2,000,000 shall be for a pilot project of seismic retrofit technology at California State University, San Bernardino; $6,000,000 shall be for a seismic retrofit project at Loma Linda University Hospital; and $2,000,000 shall be for a seismic retrofit project at the University of Redlands, Redlands: Provided further, That of the funds made available under this heading in this and prior Appropriations Acts and under section 404 of the Stafford Act to the State of Florida, $1,000,000 shall be for a hurricane protection project for the St. Petersburg campus of South Florida University, and $2,500,000 shall be for a windstorm simulation project at Florida International University, Miami: Provided further, That of the funds made available under this heading in this and prior Appropriations Acts and under section 404 of the Stafford Act to the State of North Carolina, $1,000,000 shall be for a logistical staging

area concept demonstration involving warehouse facilities at the Stanly County Airport: Provided further, That of the funds made available under this heading in this and prior Appropriations Acts and under section 404 of the Stafford Act to the State of Louisiana, $500,000 shall be for wave monitoring buoys in the Gulf of Mexico off the Louisiana coast.

For an additional amount for ''Disaster relief'', $2,480,425,000, to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $1,295,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000.

In addition, for administrative expenses to carry out the direct loan program, $420,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $180,000,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $8,015,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $267,000,000: Provided, That for purposes of predisaster mitigation pursuant to 42 U.S.C. 5131(b) and (c) and 42 U.S.C. 5196(e) and (i), $25,000,000 of the funds made available under this heading shall be available until expended for project grants: Provided further, That beginning in fiscal year 2000 and each fiscal year thereafter, and notwithstanding any other provision of law, the Director of FEMA is authorized to provide assistance from funds appropriated under this heading, subject to terms and conditions as the Director of FEMA shall establish, to any State for multi-hazard preparedness and mitigation through consolidated emergency management performance grants: Provided further, That notwithstanding any other provision of law, FEMA is authorized to and shall extend its cooperative agreement for the Jones County, Mississippi Emergency Operating Center, and the funds which were obligated as federal matching funds for that Center shall remain available for expenditure until September 30, 2001.

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The aggregate charges assessed during fiscal year 2000, as authorized by Public Law 105–276, shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for the next fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 2000, and remain available until expended.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $110,000,000, to remain available until expended: Provided, That total administrative costs shall not exceed three and one-half percent of the total appropriation.

FLOOD MAP MODERNIZATION FUND

For necessary expenses pursuant to section 1360 of the National Flood Insurance Act of 1968, $5,000,000, and such additional sums as may be provided by State or local governments or other political subdivisions for cost shared mapping activities under section 1360(f)(2), to remain available until expended.

NATIONAL INSURANCE DEVELOPMENT FUND

Notwithstanding the provisions of 12 U.S.C. 1735d(b) and 12 U.S.C. 1749bbb–13(b)(6), any indebtedness of the Director of the Federal Emergency Management Agency resulting from the Director borrowing sums under such sections before the date of the enactment of this Act to carry out title XII of the National Housing Act shall be canceled, and the Director shall not be obligated to repay such sums or any interest thereon, and no further interest shall accrue on such sums.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, as amended, not to exceed $24,333,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $78,710,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2001. In fiscal year 2000, no funds in excess of: (1) $47,000,000 for operating expenses; (2) $456,427,000 for agents' commissions and taxes; and (3) $50,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. For fiscal year 2000, flood insurance rates shall not exceed the level authorized by the National Flood Insurance Reform Act of 1994.

Section 1309(a)(2) of the National Flood Insurance Act (42 U.S.C. 4016(a)(2)), as amended by Public Law 104–208, is further amended by striking ''1999'' and inserting ''2000''.

The first sentence of section 1376(c) of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4127(c)), is amended by striking ''September 30, 1999'' and inserting ''September 30, 2000''.

NATIONAL FLOOD MITIGATION FUND

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding sections 1366(b)(3)(B)–(C) and 1366(f) of the National Flood Insurance Act of 1968, as amended, $20,000,000 to remain available until September 30, 2001, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which $20,000,000 shall be derived from the National Flood Insurance Fund.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,622,000, to be deposited into the Consumer Information Center Fund: Provided, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $7,500,000. Appropriations, revenues, and collections accruing to this fund during fiscal year 2000 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,510,900,000, to remain available until September 30, 2001: Provided, That $40,000,000 of the amount provided in this paragraph shall be available to the space shuttle program only for preparations necessary to carry out a life and micro-gravity science mission, to be flown between STS–107 and December 2001.

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,606,700,000, to remain available until September 30, 2001.

MISSION SUPPORT

For necessary expenses, not otherwise provided for, in carrying out mission support for human space flight programs and science, aeronautical, and technology programs, including research operations and support; space communications activities including operations, production and services; maintenance; construction of facilities including repair, rehabilitation, and modification of facilities, minor construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; not to exceed $35,000 for official

reception and representation expenses; and purchase (not to exceed 33 for replacement only) and hire of passenger motor vehicles, $2,515,100,000, to remain available until September 30, 2001.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $20,000,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated in ''Mission support'' pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2002.

Notwithstanding the limitation on the availability of funds appropriated for ''Mission support'' and ''Office of Inspector General'', amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 2000 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year.

Unless otherwise provided for in this Act or in the joint explanatory statement of the committee of conference accompanying this Act, no part of the funds appropriated for ''Human space flight'' may be used for the development of the International Space Station in excess of the amounts set forth in the budget estimates submitted as part of the budget request for fiscal year 2000.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 2000, administrative expenses of the Central Liquidity Facility shall not exceed $257,000: Provided, That $1,000,000, together with amounts of principal and interest on loans repaid, to be available until expended, is available for loans to community development credit unions.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $2,966,000,000, of which not to exceed $253,000,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2001: Provided, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: Provided further, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: Provided further, That $60,000,000 of the funds available under this heading shall be made available for a comprehensive research initiative on plant genomes for economically significant crop: Provided further, That none of the funds appropriated or otherwise made available to the National Science Foundation in this or any prior Act may be obligated or expended by the National Science Foundation to enter into or extend a grant, contract, or cooperative agreement for the support of administering the domain name and numbering system of the Internet after September 30, 1998: Provided further, That no funds in this or any other Act shall be used to acquire or lease a research vessel with ice-breaking capability built or retrofitted by a shipyard located in a foreign country if such a vessel of United States origin can be obtained at a cost no more than 50 per centum above that of the least expensive technically acceptable foreign vessel bid: Provided further, That, in determining the cost of such a vessel, such cost be increased by the amount of any subsidies or financing provided by a foreign government (or instrumentality thereof) to such vessel's construction: Provided further, That if the vessel contracted for pursuant to the foregoing is not available for the 2002–2003 austral summer Antarctic season, a vessel of any origin may be leased for a period of not to exceed 120 days for that season and each season thereafter until delivery of the new vessel.

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, including award-related travel, $95,000,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109, award-related travel, and rental of conference rooms in the District of Columbia, $696,600,000, to remain available until September 30, 2001: Provided, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: Provided further, That $10,000,000 shall be available for the purpose of establishing an office of innovation partnerships.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $149,000,000: Provided, That contracts may be entered into under ''Salaries and expenses'' in fiscal year 2000 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $5,450,000, to remain available until September 30, 2001.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $75,000,000.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $24,000,000: Provided, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: Provided further, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefore in the budget estimates submitted for the appropriations: Provided, That this provision does not apply to accounts that do not contain an object classification for travel: Provided further, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: Provided further, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefore set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made; or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between their domicile and their place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: Provided, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are: (1) a matter of public record and available for public inspection; and (2) thereafter included in a publicly available list of all contracts entered into within 24 months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency: (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder; and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning: (A) the contract pursuant to which the report was prepared; and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits, in writing, a report to the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 2000 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 2000 for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding section 320(g) of the Federal Water Pollution Control Act (33 U.S.C. 1330(g)), funds made available pursuant to authorization under such section for fiscal year 2000 may be used for implementing comprehensive conservation and management plans.

SEC. 421. Notwithstanding any other provision of law, the term ''qualified student loan'' with respect to national service education awards shall mean any loan made directly to a student by the Alaska Commission on Postsecondary Education, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 422. It is the sense of the Congress that, along with health care, housing, education, and other benefits, the presence of an honor guard at a veteran's funeral is a benefit that a veteran has earned, and, therefore, the executive branch should provide funeral honor details for the funerals of veterans when requested, in accordance with law.

SEC. 423. Notwithstanding any other law, funds made available by this or any other Act or previous Acts for the United States/Mexico Foundation for Science may be used for the endowment of such Foundation: Provided, That funds from the United States Government shall be matched in equal amounts with funds from Mexico: Provided further, That the accounts of such Foundation shall be subject to United States Government administrative and audit requirements concerning grants and requirements concerning cost principles for nonprofit organizations: Provided further, That the United States/Mexico Foundation for Science is renamed the George E. Brown United States/Mexico Foundation for Science.

SEC. 424. None of the funds made available in this Act may be used to carry out Executive Order No. 13083.

SEC. 425. Unless otherwise provided for in this Act, no part of any appropriation for the Department of Housing and Urban Development shall be available for any activity in excess of amounts set forth in the budget estimates submitted for the appropriations.

SEC. 426. Except in the case of entities that are funded solely with Federal funds or any natural persons that are funded under this Act, none of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties to lobby or litigate in respect to adjudicatory proceedings funded in this Act. A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal government or in litigation against the United States unless authorized under existing law.

SEC. 427. LAW ENFORCEMENT AGENCIES NOT INCLUDED AS OWNER OR OPERATOR. Section 101(20)(D) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(20)(D)) is amended by inserting ''through seizure or otherwise in connection with law enforcement activity'' before ''involuntary'' the first place it appears.

SEC. 428. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 429. The comment period on the proposed rules related to section 303(d) of the Clean Water Act published at 64 Federal Register 46012 and 46058 (August 23, 1999) shall be extended from October 22, 1999, for a period of 90 additional calendar days.

SEC. 430. Section 4(a) of the Act of August 9, 1950 (16 U.S.C. 777c(a)), is amended in the second sentence by striking ''1999'' and inserting ''2000''.

SEC. 431. PROMULGATION OF STORMWATER REGULATIONS. (a) STORMWATER REGULATIONS.—The Administrator of the Environmental Protection Agency shall not promulgate the Phase II stormwater regulations until the Administrator submits to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report containing—

(1) an in-depth impact analysis on the effect the final regulations will have on urban, suburban, and rural local governments subject to the regulations, including an estimate of—

(A) the costs of complying with the 6 minimum control measures described in the regulations; and

(B) the costs resulting from the lowering of the construction threshold from 5 acres to 1 acre;

(2) an explanation of the rationale of the Administrator for lowering the construction site threshold from 5 acres to 1 acre, including—

(A) an explanation, in light of recent court decisions, of why a 1-acre measure is any less arbitrarily determined than a 5-acre measure; and

(B) all qualitative information used in determining an acre threshold for a construction site;

(3) documentation demonstrating that stormwater runoff is generally a problem in communities with populations of 50,000 to 100,000 (including an explanation of why the coverage of the regulation is based on a census-determined population instead of a water quality threshold); and

(4) information that supports the position of the Administrator that the Phase II stormwater program should be administered as part of the National Pollutant Discharge Elimination System under section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342).

(b) PHASE I REGULATIONS.—No later than 120 days after the enactment of this Act, the Environmental Protection Agency shall submit to the Environment and Public Works Committee of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report containing a detailed explanation of the impact, if any, that the Phase I program has had in improving water quality in the United States (including a description of specific measures that have been successful and those that have been unsuccessful).

(c) FEDERAL REGISTER.—The reports described in subsections (a) and (b) shall be published in the Federal Register for public comment.

SEC. 432. PESTICIDE TOLERANCE FEES. None of the funds appropriated or otherwise made available by this Act shall be used to promulgate a final regulation to implement changes in the payment of pesticide tolerance processing fees as proposed at 64 Fed. Reg. 31040, or any similar proposals. The Environmental Protection Agency may proceed with the development of such a rule.

SEC. 433. COMMERCIAL SPACE LAUNCH INDEMNIFICATION EXTENSION. Section 70113(f) of title 49, United States Code is amended by striking ''December 31, 1999'', and inserting ''December 31, 2000''.

SEC. 434. SPACE STATION COMMERCIAL DEVELOPMENT DEMONSTRATION PROGRAM. (a) PURPOSE.—The purpose of this section is to establish a demonstration regarding the commercial feasibility and economic viability of private sector business operations involving the International Space Station and its related infrastructure. The goal will be furthered by the early use of the International Space Station by United States commercial entities committing private capital to commercial enterprises on the International Space Station. In conjunction with this demonstration program, the National Aeronautics and Space Administration (NASA) shall establish and publish a price policy designed to eliminate price uncertainty for those planning to utilize the International Space Station and its related facilities for United States commercial use.

(b) USE OF RECEIPTS FOR COMMERCIAL USE.—Any receipts collected by NASA from the commercial use of the International Space Station shall first be used to offset any costs incurred by NASA in support of the United States commercial use of the International Space Station. Any receipts collected in excess of the costs identified pursuant to the prior sentence may be retained by NASA for use without fiscal year limitation in promoting the commercial use of the International Space Station.

(c) REPORT.—NASA shall submit an annual report to the Congress that identifies all receipts that are collected under this section, the use of the receipts and the status of the demonstration. NASA shall submit a final report on the status of the demonstration, including any recommendation for expansion, within 120 days of the completion of the assembly of the International Space Station or the end of fiscal year 2004, whichever is earlier.

(d) DEFINITIONS.—As used in this section, the term ''United States commercial use'' means private commercial projects that are designed to benefit the United States through the sales of goods or services or the creation of jobs, or both.

(e) TERMINATION.—The demonstration program established under this section shall apply to United States commercial use agreements that are entered into prior to the date of the completion of the International Space Station or the end of fiscal year 2004, whichever is earlier.

SEC. 435. INSURANCE; INDEMNIFICATION; LIABILITY. (a) AMENDMENT.—The National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) is amended by inserting after section 308 the following new section:

''EXPERIMENTAL AEROSPACE VEHICLE

''(a) IN GENERAL.—The Administrator may provide liability insurance for, or indemnification to, the developer of an experimental aerospace vehicle developed or used in execution of an agreement between the Administration and the developer.

''(b) TERMS AND CONDITIONS.—

''(1) IN GENERAL.—Except as otherwise provided in this section, the insurance and indemnification provided by the Administration under subsection (a) to a developer shall be provided on the same terms and conditions as insurance and indemnification is provided by the Administration under section 308 of this Act to the user of a space vehicle.

''(2) INSURANCE.—

''(A) IN GENERAL.—A developer shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

''(i) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with the development or use of an experimental aerospace vehicle; and

''(ii) the United States Government for damage or loss to Government property resulting from such an activity.

''(B) MAXIMUM REQUIRED.—The Administrator shall determine the amount of insurance required, but, except as provided in subparagraph (C), that amount shall not be greater than the amount required under section 70112(a)(3) of title 49, United States Code, for a launch. The Administrator shall publish notice of the Administrator's determination and the applicable amount or amounts in the Federal Register within 10 days after making the determination.

''(C) INCREASE IN DOLLAR AMOUNTS.—The Administrator may increase the dollar amounts set forth in section 70112(a)(3)(A) of title 49, United States Code, for the purpose of applying that section under this section to a developer after consultation with the Comptroller General and such experts and consultants as may be appropriate, and after publishing notice of the increase in the Federal Register not less than 180 days before the increase goes into effect. The Administrator shall make available for public inspection, not later than the date of publication of such notice, a complete record of any correspondence received by the Administration, and a transcript of any meetings in which the Administration participated, regarding the proposed increase.

''(D) SAFETY REVIEW REQUIRED BEFORE ADMINISTRATOR PROVIDES INSURANCE.—The Administrator may not provide liability insurance or indemnification under subsection (a) unless the developer establishes to the satisfaction of the Administrator that appropriate safety procedures and practices are being followed in the development of the experimental aerospace vehicle.

''(3) NO INDEMNIFICATION WITHOUT CROSS-WAIVER.—Notwithstanding subsection (a), the Administrator may not indemnify a developer of an experimental aerospace vehicle under this section unless there is an agreement between the Administration and the developer described in subsection (c).

''(4) APPLICATION OF CERTAIN PROCEDURES.—If the Administrator requests additional appropriations to make payments under this section, like the payments that may be made under section 308(b) of this Act, then the request for those appropriations shall be made in accordance with the procedures established by subsections (d) and (e) of section 70113 of title 49, United States Code.

''(c) CROSS-WAIVERS.—

''(1) ADMINISTRATOR AUTHORIZED TO WAIVE.—The Administrator, on behalf of the United States, and its departments, agencies, and related entities, may reciprocally waive claims with a developer or cooperating party and with the related entities of that developer or cooperating party under which each party to the waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

''(2) LIMITATIONS.—

''(A) CLAIMS.—A reciprocal waiver under paragraph (1) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, the cooperating party, or their respective subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

''(B) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under paragraph (1) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, the cooperating party, or their respective subcontractors) or such a natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

''(C) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under paragraph (1) may not be used as the basis of a claim by the Administration, or the developer or cooperating party, for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subrogees, for injury or death sustained by that natural person as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

''(3) EFFECT ON PREVIOUS WAIVERS.—Subsection (c) applies to any waiver of claims entered into by the Administration without regard to whether it was entered into before, on, or after the date of the enactment of this Act.

''(d) DEFINITIONS.—In this section:

''(1) COOPERATING PARTY.—The term 'cooperating party' means any person who enters into an agreement with the Administration for the performance of cooperative scientific, aeronautical, or space activities to carry out the purposes of this Act.

''(2) DEVELOPER.—The term 'developer' means a United States person (other than a natural person) who—

''(A) is a party to an agreement with the Administration for the purpose of developing new technology for an experimental aerospace vehicle;

''(B) owns or provides property to be flown or situated on that vehicle; or

''(C) employs a natural person to be flown on that vehicle.

''(3) EXPERIMENTAL AEROSPACE VEHICLE.—The term 'experimental aerospace vehicle' means an object intended to be flown in, or launched into, orbital or suborbital flight for the purpose of demonstrating technologies necessary for a reusable launch vehicle, developed under an agreement between the Administration and a developer.

''(4) RELATED ENTITY.—The term 'related entity' includes a contractor or subcontractor at any tier, a supplier, a grantee, and an investigator or detailee.

''(e) RELATIONSHIP TO OTHER LAWS.—

''(1) SECTION 308.—This section does not apply to any object, transaction, or operation to which section 308 of this Act applies.

''(2) CHAPTER 701 OF TITLE 49, UNITED STATES CODE.—The Administrator may not provide indemnification to a developer under this section for launches subject to license under section 70117(g)(1) of title 49, United States Code.''.

(b) REPEAL.—Section 431 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Public Law 105–276) is repealed.

TITLE V—PRESERVATION OF AFFORDABLE HOUSING

SEC. 501. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the ''Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act''.

(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

Sec. 501. Short title and table of contents.
Sec. 502. Regulations.
Sec. 503. Effective date.
Subtitle A—Authorization of Appropriations for Supportive Housing for the Elderly and Persons With Disabilities
Sec. 511. Supportive housing for elderly persons.
Sec. 512. Supportive housing for persons with disabilities.
Sec. 513. Service coordinators and congregate services for elderly and disabled housing.
Subtitle B—Expanding Housing Opportunities for the Elderly and Persons With Disabilities
Sec. 521. Study of debt forgiveness for section 202 loans.
Sec. 522. Grants for conversion of elderly housing to assisted living facilities.
Sec. 523. Use of section 8 assistance for assisted living facilities.
Sec. 524. Size limitation for projects for persons with disabilities.
Sec. 525. Commission on Affordable Housing and Health Care Facility Needs in the 21st Century.
Subtitle C—Renewal of Expiring Rental Assistance Contracts and Protection of Residents
Sec. 531. Renewal of expiring contracts and enhanced vouchers for project residents.
Sec. 532. Section 236 assistance.
Sec. 533. Rehabilitation of assisted housing.
Sec. 534. Technical assistance.
Sec. 535. Termination of section 8 contract and duration of renewal contract.
Sec. 536. Eligibility of residents of flexible subsidy projects for enhanced vouchers.
Sec. 537. Enhanced disposition authority.
Sec. 538. Unified enhanced voucher authority.

SEC. 502. REGULATIONS.

The Secretary of Housing and Urban Development shall issue any regulations to carry out this title and the amendments made by this title that the Secretary determines may or will affect tenants of federally assisted housing only after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). Notice of such proposed rulemaking shall be provided by publication in the Federal Register. In issuing such regulations, the Secretary shall take such actions as may be necessary to ensure that such tenants are notified of, and provided an opportunity to participate in, the rulemaking, as required by such section 553.

SEC. 503. EFFECTIVE DATE.

(a) IN GENERAL.—The provisions of this title and the amendments made by this title are effective as of the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.

(b) EFFECT OF REGULATORY AUTHORITY.—Any authority in this title or the amendments made by this title to issue regulations, and any specific requirement to issue regulations by a date certain, may not be construed to affect the effectiveness or applicability of the provisions of this title or the amendments made by this title under such provisions and amendments and subsection (a) of this section.

Subtitle A—Authorization of Appropriations for Supportive Housing for the Elderly and Persons With Disabilities

SEC. 511. SUPPORTIVE HOUSING FOR ELDERLY PERSONS.

Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended by adding at the end the following new subsection:

''(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing assistance under this section $710,000,000 for fiscal year 2000.''.

SEC. 512. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended—

(1) by redesignating subsection (m) as subsection (n); and

(2) by inserting after subsection (l) the following new subsection:

''(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing assistance under this section $201,000,000 for fiscal year 2000.''.

SEC. 513. SERVICE COORDINATORS AND CONGREGATE SERVICES FOR ELDERLY AND DISABLED HOUSING.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FEDERALLY ASSISTED HOUSING.—There is authorized to be appropriated to the Secretary of Housing and Urban Development $50,000,000 for fiscal year 2000 for the following purposes:

(1) GRANTS FOR SERVICE COORDINATORS FOR CERTAIN FEDERALLY ASSISTED MULTIFAMILY HOUSING.—For grants under section 676 of the Housing and Community Development Act of 1992 (42 U.S.C. 13632) for providing service coordinators.

(2) CONGREGATE SERVICES FOR FEDERALLY ASSISTED HOUSING.—For contracts under section 802 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011) to provide congregate services programs for eligible residents of eligible housing projects under subparagraphs (B) through (D) of subsection (k)(6) of such section.

(b) PUBLIC HOUSING.—There is authorized to be appropriated to the Secretary of Housing and Urban Development such sums as may be necessary for fiscal year 2000 for grants for use only for activities described in paragraph (2) of section 34(b) of the United States Housing Act of 1937 (42 U.S.C. 1437z–6(b)(2)) for renewal of all grants made in prior fiscal years for providing service coordinators and congregate services for the elderly and disabled in public housing.

Subtitle B—Expanding Housing Opportunities for the Elderly and Persons With Disabilities

SEC. 521. STUDY OF DEBT FORGIVENESS FOR SECTION 202 LOANS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall conduct an analysis of the net impact on the Federal budget deficit or surplus of making available, on a one-time basis, to sponsors of projects assisted under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act), forgiveness of any indebtedness to the Secretary relating to any remaining principal and interest under loans made under such section, together with a dollar for dollar reduction in the amount of rental assistance under section 8 of the United States Housing Act of 1937 or other rental assistance provided for such project. Such analysis shall take into consideration the full cost of future appropriations for rental assistance under such section 8 expected to be provided if such debt forgiveness does not take place, notwithstanding current budgetary treatment of such actions pursuant to the Congressional Budget Act of 1974.

(b) REPORT.—Not later than the expiration of the 3-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report to the Congress containing the quantitative results of the analysis and an enumeration of any project or administrative benefits of such actions.

SEC. 522. GRANTS FOR CONVERSION OF ELDERLY HOUSING TO ASSISTED LIVING FACILITIES.

Title II of the Housing Act of 1959 is amended by inserting after section 202a (12 U.S.C. 1701q–1) the following new section:

''SEC. 202b. GRANTS FOR CONVERSION OF ELDERLY HOUSING TO ASSISTED LIVING FACILITIES.

''(a) GRANT AUTHORITY.—The Secretary of Housing and Urban Development may make grants in accordance with this section to owners of eligible projects described in subsection (b) for one or both of the following activities:

''(1) REPAIRS.—Substantial capital repairs to a project that are needed to rehabilitate, modernize, or retrofit aging structures, common areas, or individual dwelling units.

''(2) CONVERSION.—Activities designed to convert dwelling units in the eligible project to assisted living facilities for elderly persons.

''(b) ELIGIBLE PROJECTS.—An eligible project described in this subsection is a multifamily housing project that is—

''(1)(A) described in subparagraph (B), (C), (D), (E), (F), or (G) of section 683(2) of the Housing and Community Development Act of 1992 (42 U.S.C. 13641(2)), or (B) only to the extent amounts of the Department of Agriculture are made available to the Secretary of Housing and Urban Development for such grants under this section for such projects, subject to a loan made or insured under section 515 of the Housing Act of 1949 (42 U.S.C. 1485);

''(2) owned by a private nonprofit organization (as such term is defined in section 202); and

''(3) designated primarily for occupancy by elderly persons.

Notwithstanding any other provision of this subsection or this section, an unused or underutilized commercial property may be considered an eligible project under this subsection, except that the Secretary may not provide grants under this section for more than 3 such properties. For any such projects, any reference under this section to dwelling units shall be considered to refer to the premises of such properties.

''(c) APPLICATIONS.—Applications for grants under this section shall be submitted to the Secretary in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

''(1) a description of the substantial capital repairs or the proposed conversion activities for which a grant under this section is requested;

''(2) the amount of the grant requested to complete the substantial capital repairs or conversion activities;

''(3) a description of the resources that are expected to be made available, if any, in conjunction with the grant under this section; and

''(4) such other information or certifications that the Secretary determines to be necessary or appropriate.

''(d) FUNDING FOR SERVICES.—The Secretary may not make a grant under this section for

conversion activities unless the application contains sufficient evidence, in the determination of the Secretary, of firm commitments for the funding of services to be provided in the assisted living facility, which may be provided by third parties.

''(e) SELECTION CRITERIA.—The Secretary shall select applications for grants under this section based upon selection criteria, which shall be established by the Secretary and shall include—

''(1) in the case of a grant for substantial capital repairs, the extent to which the project to be repaired is in need of such repair, including such factors as the age of improvements to be repaired, and the impact on the health and safety of residents of failure to make such repairs;

''(2) in the case of a grant for conversion activities, the extent to which the conversion is likely to provide assisted living facilities that are needed or are expected to be needed by the categories of elderly persons that the assisted living facility is intended to serve, with a special emphasis on very low-income elderly persons who need assistance with activities of daily living;

''(3) the inability of the applicant to fund the repairs or conversion activities from existing financial resources, as evidenced by the applicant's financial records, including assets in the applicant's residual receipts account and reserves for replacement account;

''(4) the extent to which the applicant has evidenced community support for the repairs or conversion, by such indicators as letters of support from the local community for the repairs or conversion and financial contributions from public and private sources;

''(5) in the case of a grant for conversion activities, the extent to which the applicant demonstrates a strong commitment to promoting the autonomy and independence of the elderly persons that the assisted living facility is intended to serve;

''(6) in the case of a grant for conversion activities, the quality, completeness, and managerial capability of providing the services which the assisted living facility intends to provide to elderly residents, especially in such areas as meals, 24-hour staffing, and on-site health care; and

''(7) such other criteria as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

''(f) DEFINITIONS.—For the purposes of this section—

''(1) the term 'assisted living facility' has the meaning given such term in section 232(b) of the National Housing Act (12 U.S.C. 1715w(b)); and

''(2) the definitions in section 202(k) shall apply.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing grants under this section such sums as may be necessary for fiscal year 2000.''.

SEC. 523. USE OF SECTION 8 ASSISTANCE FOR ASSISTED LIVING FACILITIES.

(a) VOUCHER ASSISTANCE.—Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended by adding at the end the following new paragraph:

''(18) RENTAL ASSISTANCE FOR ASSISTED LIVING FACILITIES.—

''(A) IN GENERAL.—A public housing agency may make assistance payments on behalf of a family that uses an assisted living facility as a principal place of residence and that uses such supportive services made available in the facility as the agency may require. Such payments may be made only for covering costs of rental of the dwelling unit in the assisted living facility and not for covering any portion of the cost of residing in such facility that is attributable to service relating to assisted living.

''(B) RENT CALCULATION.—

''(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent of the dwelling unit that is an assisted living facility with respect to which assistance payments are made shall include maintenance and management charges related to the dwelling unit and tenant-paid utilities. Such rent shall not include any charges attributable to services relating to assisted living.

''(ii) PAYMENT STANDARD.—In determining the monthly assistance that may be paid under this paragraph on behalf of any family residing in an assisted living facility, the public housing agency shall utilize the payment standard established under paragraph (1), for the market area in which the assisted living facility is located, for the applicable size dwelling unit.

''(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment for a family assisted under this paragraph shall be determined in accordance with paragraph (2) (using the rent and payment standard for the dwelling unit as determined in accordance with this subsection).

''(C) DEFINITION.—For the purposes of this paragraph, the term 'assisted living facility' has the meaning given that term in section 232(b) of the National Housing Act (12 U.S.C. 1715w(b)), except that such a facility may be contained within a portion of a larger multifamily housing project.''.

(b) PROJECT-BASED ASSISTANCE.—Section 202b of the Housing Act of 1959, as added by section 522 of this Act, is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection:

''(f) SECTION 8 PROJECT-BASED ASSISTANCE.—

''(1) ELIGIBILITY.—Notwithstanding any other provision of law, a multifamily project which includes one or more dwelling units that have been converted to assisted living facilities using grants made under this section shall be eligible for project-based assistance under section 8 of the United States Housing Act of 1937, in the same manner in which the project would be eligible for such assistance but for the assisted living facilities in the project.

''(2) CALCULATION OF RENT.—For assistance pursuant to this subsection, the maximum monthly rent of a dwelling unit that is an assisted living facility with respect to which assistance payments are made shall not include charges attributable to services relating to assisted living.''.

SEC. 524. SIZE LIMITATION FOR PROJECTS FOR PERSONS WITH DISABILITIES.

(a) LIMITATION.—Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended—

(1) in subsection (k)(4), by inserting '', subject to the limitation under subsection (h)(6)'' after ''prescribe''; and

(2) in subsection (l), by adding at the end the following new paragraph:

''(4) SIZE LIMITATION.—Of any amounts made available for any fiscal year and used for capital advances or project rental assistance under paragraphs (1) and (2) of subsection (d), not more than 25 percent may be used for supportive housing which contains more than 24 separate dwelling units.''.

(b) STUDY.—Not later than the expiration of the 3-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall conduct a study and submit a report to the Congress regarding—

(1) the extent to which the authority of the Secretary under section 811(k)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(k)(4)), as in effect immediately before the enactment of this Act, has been used in each year since 1990 to provide for assistance under such section for supportive housing for persons with disabilities having more than 24 separate dwelling units;

(2) the per-unit costs of, and the benefits and problems associated with, providing such housing in projects having 8 or less dwelling units, 8 to 24 units, and more than 24 units; and

(3) the per-unit costs of, and the benefits and problems associated with providing housing under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) in projects having 30 to 50 dwelling units, in projects having more than 50 but not more than 80 dwelling units, in projects having more than 80 but not more than 120 dwelling units, and in projects having more than 120 dwelling units, but the study shall also examine the social considerations afforded by smaller and moderate-size developments and shall not be limited to economic factors.

SEC. 525. COMMISSION ON AFFORDABLE HOUSING AND HEALTH CARE FACILITY NEEDS IN THE 21ST CENTURY.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the Commission on Affordable Housing and Health Care Facility Needs in the 21st Century (in this section referred to as the ''Commission''.

(b) STUDY.—The duty of the Commission shall be to conduct a study that—

(1) compiles and interprets information regarding the expected increase in the population of persons 62 years of age or older, particularly information regarding distribution of income levels, homeownership and home equity rates, and degree or extent of health and independence of living;

(2) provides an estimate of the future needs of seniors for affordable housing and assisted living and health care facilities;

(3) provides a comparison of estimate of such future needs with an estimate of the housing and facilities expected to be provided under existing public programs, and identifies possible actions or initiatives that may assist in providing affordable housing and assisted living and health care facilities to meet such expected needs;

(4) identifies and analyzes methods of encouraging increased private sector participation, investment, and capital formation in affordable housing and assisted living and health care facilities for seniors through partnerships between public and private entities and other creative strategies;

(5) analyzes the costs and benefits of comprehensive aging-in-place strategies, taking into consideration physical and mental well-being and the importance of coordination between shelter and supportive services;

(6) identifies and analyzes methods of promoting a more comprehensive approach to dealing with housing and supportive service issues involved in aging and the multiple governmental agencies involved in such issues, including the Department of Housing and Urban Development and the Department of Health and Human Services; and

(7) examines how to establish intergenerational learning and care centers and living arrangements, in particular to facilitate appropriate environments for families consisting only of children and a grandparent or grandparents who are the head of the household.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 14 members, appointed not later than January 1, 2000, as follows:

(A) Two co-chairpersons, of whom—

(i) one co-chairperson shall be appointed by a committee consisting of the chairman of the Subcommittee on Housing and Community Opportunities of the House of Representatives and the chairman of the Subcommittee on Housing and Transportation of the Senate, and the chairmen of the Subcommittees on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies of the Committees on Appropriations of the House of Representatives and the Senate; and

(ii) one co-chairperson shall be appointed by a committee consisting of the ranking minority member of the Subcommittee on Housing and Community Opportunities of the House of Representatives and the ranking minority member of the Subcommittee on Housing and Transportation of the Senate, and the ranking minority

members of the Subcommittees on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies of the Committees on Appropriations of the House of Representatives and the Senate.

(B) Six members appointed by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Committee on Appropriations of the House of Representatives.

(C) Six members appointed by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Committee on Appropriations of the Senate.

(2) QUALIFICATIONS.—Appointees should have proven expertise in directing, assembling, or applying capital resources from a variety of sources to the successful development of affordable housing, assisted living facilities, or health care facilities.

(3) VACANCIES.—Any vacancy on the Commission shall not affect its powers and shall be filled in the manner in which the original appointment was made.

(4) CHAIRPERSONS.—The members appointed pursuant to paragraph (1)(A) shall serve as co-chairpersons of the Commission.

(5) PROHIBITION OF PAY.—Members of the Commission shall serve without pay.

(6) TRAVEL EXPENSES.—Each member of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(7) QUORUM.—A majority of the members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(8) MEETINGS.—The Commission shall meet at the call of the Chairpersons.

(d) DIRECTOR AND STAFF.—

(1) DIRECTOR.—The Commission shall have a Director who shall be appointed by the Chairperson. The Director shall be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(2) STAFF.—The Commission may appoint personnel as appropriate. The staff of the Commission shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.

(3) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for the General Schedule.

(4) STAFF OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this Act.

(e) POWERS.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate.

(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairpersons of the Commission, the head of that department or agency shall furnish that information to the Commission.

(4) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Commission.

(5) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

(7) CONTRACT AUTHORITY.—The Commission may contract with and compensate government and private agencies or persons for services, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(f) REPORT.—The Commission shall submit to the Committees on Banking and Financial Services and Appropriations of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Appropriations of the Senate, a final report not later than December 31, 2001. The report shall contain a detailed statement of the findings and conclusions of the Commission with respect to the study conducted under subsection (b), together with its recommendations for legislation, administrative actions, and any other actions the Commission considers appropriate.

(g) TERMINATION.—The Commission shall terminate on June 30, 2002. Section 14(a)(2)(B) of the Federal Advisory Committee Act (5 U.S.C. App.; relating to the termination of advisory committees) shall not apply to the Commission.

Subtitle C—Renewal of Expiring Rental Assistance Contracts and Protection of Residents

SEC. 531. RENEWAL OF EXPIRING CONTRACTS AND ENHANCED VOUCHERS FOR PROJECT RESIDENTS.

(a) IN GENERAL.—Section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended to read as follows:

"SEC. 524. RENEWAL OF EXPIRING PROJECT-BASED SECTION 8 CONTRACTS.

''(a) IN GENERAL.—

''(1) RENEWAL.—Subject to paragraph (2), upon termination or expiration of a contract for project-based assistance under section 8 for a multifamily housing project (and notwithstanding section 8(v) of the United States Housing Act of 1937 for loan management assistance), the Secretary shall, at the request of the owner of the project and to the extent sufficient amounts are made available in appropriation Acts, use amounts available for the renewal of assistance under section 8 of such Act to provide such assistance for the project. The assistance shall be provided under a contract having such terms and conditions as the Secretary considers appropriate, subject to the requirements of this section. This section shall not require contract renewal for a project that is eligible under this subtitle for a mortgage restructuring and rental assistance sufficiency plan, if there is no approved plan for the project and the Secretary determines that such an approved plan is necessary.

''(2) PROHIBITION ON RENEWAL.—Notwithstanding part 24 of title 24 of the Code of Federal Regulations, the Secretary may elect not to renew assistance for a project otherwise required to be renewed under paragraph (1) or provide comparable benefits under paragraph (1) or (2) of subsection (e) for a project described in either such paragraph, if the Secretary determines that a violation under paragraph (1) through (4) of section 516(a) has occurred with respect to the project. For purposes of such a determination, the provisions of section 516 shall apply to a project under this section in the same manner and to the same extent that the provisions of such section apply to eligible multifamily housing projects, except that the Secretary shall make the determination under section 516(a)(4).

''(3) CONTRACT TERM FOR MARK-UP-TO-MARKET CONTRACTS.—In the case of an expiring or terminating contract that has rent levels less than comparable market rents for the market area, if the rent levels under the renewal contract under this section are equal to comparable market rents for the market area, the contract shall have a term of not less than 5 years, subject to the availability of sufficient amounts in appropriation Acts.

''(4) RENEWAL RENTS.—Except as provided in subsection (b), the contract for assistance shall provide assistance at the following rent levels:

''(A) MARKET RENTS.—At the request of the owner of the project, at rent levels equal to the lesser of comparable market rents for the market area or 150 percent of the fair market rents, in the case only of a project that—

''(i) has rent levels under the expiring or terminating contract that do not exceed such comparable market rents;

''(ii) does not have a low- and moderate-income use restriction that can not be eliminated by unilateral action by the owner;

''(iii) is decent, safe, and sanitary housing, as determined by the Secretary;

''(iv) is not—

''(I) owned by a nonprofit entity;

''(II) subject to a contract for moderate rehabilitation assistance under section 8(e)(2) of the United States Housing Act of 1937, as in effect before October 1, 1991; or

''(III) a project for which the public housing agency provided voucher assistance to one or more of the tenants after the owner has provided notice of termination of the contract covering the tenant's unit; and

''(v) has units assisted under the contract for which the comparable market rent exceeds 110 percent of the fair market rent.

The Secretary may adjust the percentages of fair market rent (as specified in the matter preceding clause (i) and in clause (v)), but only upon a determination and written notification to the Congress within 10 days of making such determination, that such adjustment is necessary to ensure that this subparagraph covers projects with a high risk of nonrenewal of expiring contracts for project-based assistance.

''(B) REDUCTION TO MARKET RENTS.—In the case of a project that has rent levels under the expiring or terminating contract that exceed comparable market rents for the market area, at rent levels equal to such comparable market rents.

''(C) RENTS NOT EXCEEDING MARKET RENTS.—In the case of a project that is not subject to subparagraph (A) or (B), at rent levels that—

''(i) are not less than the existing rents under the terminated or expiring contract, as adjusted by an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment), if such adjusted rents do not exceed comparable market rents for the market area; and

''(ii) do not exceed comparable market rents for the market area.

In determining the rent level for a contract under this subparagraph, the Secretary shall approve rents sufficient to cover budget-based cost increases and shall give greater consideration to providing rent at a level up to comparable market rents for the market area based on the number of the criteria under clauses (i) through (iii) of subparagraph (D) that the project meets.

''(D) WAIVER OF 150 PERCENT LIMITATION.—Notwithstanding subparagraph (A), at rent levels up to comparable market rents for the market

area, in the case of a project that meets the requirements under clauses (i) through (v) of subparagraph (A) and—

''(i) has residents who are a particularly vulnerable population, as demonstrated by a high percentage of units being rented to elderly families, disabled families, or large families;

''(ii) is located in an area in which tenant-based assistance would be difficult to use, as demonstrated by a low vacancy rate for affordable housing, a high turnback rate for vouchers, or a lack of comparable rental housing; or

''(iii) is a high priority for the local community, as demonstrated by a contribution of State or local funds to the property.

In determining the rent level for a contract under this subparagraph, the Secretary shall approve rents sufficient to cover budget-based cost increases and shall give greater consideration to providing rent at a level up to comparable market rents for the market area based on the number of the criteria under clauses (i) through (iv) that the project meets.

''(5) COMPARABLE MARKET RENTS AND COMPARISON WITH FAIR MARKET RENTS.—The Secretary shall prescribe the method for determining comparable market rent by comparison with rents charged for comparable properties (as such term is defined in section 512), which may include appropriate adjustments for utility allowances and adjustments to reflect the value of any subsidy (other than section 8 assistance) provided by the Department of Housing and Urban Development.

''(b) EXCEPTION RENTS.—

''(1) RENEWAL.—In the case of a multifamily housing project described in paragraph (2), pursuant to the request of the owner of the project, the contract for assistance for the project pursuant to subsection (a) shall provide assistance at the lesser of the following rent levels:

''(A) ADJUSTED EXISTING RENTS.—The existing rents under the expiring contract, as adjusted by an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment).

''(B) BUDGET-BASED RENTS.—Subject to a determination by the Secretary that a rent level under this subparagraph is appropriate for a project, a rent level that provides income sufficient to support a budget-based rent (including a budget-based rent adjustment if justified by reasonable and expected operating expenses).

''(2) PROJECTS COVERED.—A multifamily housing project described in this paragraph is a multifamily housing project that—

''(A) is not an eligible multifamily housing project under section 512(2); or

''(B) is exempt from mortgage restructuring under this subtitle pursuant to section 514(h).

''(3) MODERATE REHABILITATION PROJECTS.—In the case of a project with a contract under the moderate rehabilitation program, other than a moderate rehabilitation contract under section 441 of the Stewart B. McKinney Homeless Assistance Act, pursuant to the request of the owner of the project, the contract for assistance for the project pursuant to subsection (a) shall provide assistance at the lesser of the following rent levels:

''(A) ADJUSTED EXISTING RENTS.—The existing rents under the expiring contract, as adjusted by an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment).

''(B) FAIR MARKET RENTS.—Fair market rents (less any amounts allowed for tenant-purchased utilities).

''(C) MARKET RENTS.—Comparable market rents for the market area.

''(c) RENT ADJUSTMENTS AFTER RENEWAL OF CONTRACT.—

''(1) REQUIRED.—After the initial renewal of a contract for assistance under section 8 of the United States Housing Act of 1937 pursuant to subsection (a), (b)(1), or (e)(2), the Secretary shall annually adjust the rents using an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment) or, upon the request of the owner and subject to approval of the Secretary, on a budget basis. In the case of projects with contracts renewed pursuant to subsection (a) or pursuant to subsection (e)(2) at rent levels equal to comparable market rents for the market area, at the expiration of each 5-year period, the Secretary shall compare existing rents with comparable market rents for the market area and may make any adjustments in the rent necessary to maintain the contract rents at a level not greater than comparable market rents or to increase rents to comparable market rents.

''(2) DISCRETIONARY.—In addition to review and adjustment required under paragraph (1), in the case of projects with contracts renewed pursuant to subsection (a) or pursuant to subsection (e)(2) at rent levels equal to comparable market rents for the market area, the Secretary may, at the discretion of the Secretary but only once within each 5-year period referred to in paragraph (1), conduct a comparison of rents for a project and adjust the rents accordingly to maintain the contract rents at a level not greater than comparable market rents or to increase rents to comparable market rents.

''(d) ENHANCED VOUCHERS UPON CONTRACT EXPIRATION.—

''(1) IN GENERAL.—In the case of a contract for project-based assistance under section 8 for a covered project that is not renewed under subsection (a) or (b) of this section (or any other authority), to the extent that amounts for assistance under this subsection are provided in advance in appropriation Acts, upon the date of the expiration of such contract the Secretary shall make enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) available on behalf of each low-income family who, upon the date of such expiration, is residing in an assisted dwelling unit in the covered project.

''(2) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) ASSISTED DWELLING UNIT.—The term 'assisted dwelling unit' means a dwelling unit that—

''(i) is in a covered project; and

''(ii) is covered by rental assistance provided under the contract for project-based assistance for the covered project.

''(B) COVERED PROJECT.—The term 'covered project' means any housing that—

''(i) consists of more than 4 dwelling units;

''(ii) is covered in whole or in part by a contract for project-based assistance under—

''(I) the new construction or substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

''(II) the property disposition program under section 8(b) of the United States Housing Act of 1937;

''(III) the moderate rehabilitation program under section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991);

''(IV) the loan management assistance program under section 8 of the United States Housing Act of 1937;

''(V) section 23 of the United States Housing Act of 1937 (as in effect before January 1, 1975);

''(VI) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965; or

''(VII) section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965,

which contract will (under its own terms) expire during the period consisting of fiscal years 2000 through 2004; and

''(iii) is not housing for which residents are eligible for enhanced voucher assistance as provided, pursuant to the 'Preserving Existing Housing Investment' account in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204; 110 Stat. 2884) or any other subsequently enacted provision of law, in lieu of any benefits under section 223 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113).

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2000, 2001, 2002, 2003, and 2004 such sums as may be necessary for enhanced voucher assistance under this subsection.

''(e) CONTRACTUAL COMMITMENTS UNDER PRESERVATION LAWS.—Except as provided in subsection (a)(2) and notwithstanding any other provision of this subtitle, the following shall apply:

''(1) PRESERVATION PROJECTS.—Upon expiration of a contract for assistance under section 8 for a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715l note) or the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4101 et seq.), to the extent amounts are specifically made available in appropriation Acts, the Secretary shall provide to the owner benefits comparable to those provided under such plan of action, including distributions, rent increase procedures, and duration of low-income affordability restrictions. This paragraph shall apply to projects with contracts expiring before, on, or after the date of the enactment of this section.

''(2) DEMONSTRATION PROJECTS.—

''(A) IN GENERAL.—Upon expiration of a contract for assistance under section 8 for a project entered into pursuant to any authority specified in subparagraph (B) for which the Secretary determines that debt restructuring is inappropriate, the Secretary shall, at the request of the owner of the project and to the extent sufficient amounts are made available in appropriation Acts, provide benefits to the owner comparable to those provided under such contract, including annual distributions, rent increase procedures, and duration of low-income affordability restrictions. This paragraph shall apply to projects with contracts expiring before, on, or after the date of the enactment of this section.

''(B) DEMONSTRATION PROGRAMS.—The authority specified in this subparagraph is the authority under—

''(i) section 210 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (Public Law 104-134; 110 Stat. 1321–285; 42 U.S.C. 1437f note);

''(ii) section 212 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204; 110 Stat. 2897; 42 U.S.C. 1437f note); and

''(iii) either of such sections, pursuant to any provision of this title.

''(f) PREEMPTION OF CONFLICTING STATE LAWS LIMITING DISTRIBUTIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no State or political subdivision of a State may establish, continue in effect, or enforce any law or regulation that limits or restricts, to an amount that is less than the amount provided for under the regulations of the Secretary establishing allowable project distributions to provide a return on investment, the amount of surplus funds accruing after the date of the enactment of this section that may be distributed from any multifamily housing project assisted under a contract for rental assistance renewed under any provision of this section (except subsection (b)) to the owner of the project.

''(2) EXCEPTION AND WAIVER.—Paragraph (1) shall not apply to any law or regulation to the extent such law or regulation applies to—

''(A) a State-financed multifamily housing project; or

''(B) a multifamily housing project for which the owner has elected to waive the applicability of paragraph (1).

''(3) TREATMENT OF LOW-INCOME USE RESTRICTIONS.—This subsection may not be construed to provide for, allow, or result in the release or termination, for any project, of any low- or moderate-income use restrictions that can not be eliminated by unilateral action of the owner of the project.

''(g) APPLICABILITY.—Except to the extent otherwise specifically provided in this section, this section shall apply with respect to any multifamily housing project having a contract for project-based assistance under section 8 that terminates or expires during fiscal year 2000 or thereafter.''.

(b) DEFINITION OF ELIGIBLE MULTIFAMILY HOUSING PROJECT.—Section 512(2) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by inserting after and below subparagraph (C) the following:

''Such term does not include any project with an expiring contract described in paragraph (1) or (2) of section 524(e).''.

(c) PROJECTS EXEMPTED FROM RESTRUCTURING AGREEMENTS.—Section 514(h) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by inserting before the semicolon at the end the following: ''and the financing involves mortgage insurance under the National Housing Act, such that the implementation of a mortgage restructuring and rental assistance sufficiency plan under this subtitle is in conflict with applicable law or agreements governing such financing''.

(d) CONFORMING AMENDMENTS.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) by designating as subsection (v) the sentence added by section 405(c) of The Balanced Budget Downpayment Act, I (Public Law 104–99; 110 Stat. 44); and

(2) by striking subsection (w).

SEC. 532. SECTION 236 ASSISTANCE.

(a) CONTINUED RECEIPT OF SUBSIDIES UPON REFINANCING.—Section 236(e) of the National Housing Act (12 U.S.C. 1715z–1(e)) is amended—

(1) by inserting ''(1)'' after ''(e)''; and

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

''(2) A project for which interest reduction payments are made under this section and for which the mortgage on the project has been refinanced shall continue to receive the interest reduction payments under this section under the terms of the contract for such payments, but only if the project owner enters into such binding commitments as the Secretary may require (which shall be applicable to any subsequent owner) to ensure that the owner will continue to operate the project in accordance with all low-income affordability restrictions for the project in connection with the Federal assistance for the project for a period having a duration that is not less than the term for which such interest reduction payments are made plus an additional 5 years.''.

(b) RETENTION OF EXCESS INCOME.—Section 236(g) of the National Housing Act (12 U.S.C. 1715z–1(g)) is amended—

(1) by inserting ''(1)'' after ''(g)'';

(2) by striking the last sentence; and

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

''(2) Subject to paragraph (3) and notwithstanding any other requirements of this subsection, a project owner may retain some or all of such excess charges for project use if authorized by the Secretary. Such excess charges shall be used for the project and upon terms and conditions established by the Secretary, unless the Secretary permits the owner to retain funds for non-project use after a determination that the project is well-maintained housing in good condition and that the owner has not engaged in material adverse financial or managerial actions or omissions as described in section 516 of the Multifamily Assisted Housing Reform and Affordability Act of 1997. In connection with the retention of funds for non-project use, the Secretary may require the project owner to enter into a binding commitment (which shall be applicable to any subsequent owner) to ensure that the owner will continue to operate the project in accordance with all low-income affordability restrictions for the project in connection with the Federal assistance for the project for a period having a duration of not less than the term of the existing affordability restrictions plus an additional 5 years.

''(3) The authority under paragraph (2) to retain and use excess charges shall apply—

''(A) during fiscal year 2000, to all project owners collecting such excess charges; and

''(B) during fiscal year 2001 and thereafter—

''(i) to any owner of (I) a project with a mortgage insured under this section, (II) a project with a mortgage formerly insured under this section if such mortgage is held by the Secretary and the owner of such project is current with respect to the mortgage obligation, or (III) a project previously assisted under subsection (b) but without a mortgage insured under this section if the project was insured under section 207 of this Act before July 30, 1998, pursuant to section 223(f) of this Act and assisted under subsection (b); and

''(ii) to other project owners not referred to in clause (i) who collect such excess charges, but only to the extent that such retention and use is approved in advance in an appropriation Act.''.

(c) PREVIOUSLY OWED EXCESS INCOME.—Section 236(g) of the National Housing Act (12 U.S.C. 1715z–1(g)), as amended by subsection (b) of this section, is further amended by adding at the end the following new paragraph:

''(4) The Secretary shall not withhold approval of the retention by the owner of such excess charges because of the existence of unpaid excess charges if such unpaid amount is being remitted to the Secretary over a period of time in accordance with a workout agreement with the Secretary, unless the Secretary determines that the owner is in violation of the workout agreement.''.

(d) FLEXIBILITY REGARDING BASIC RENTS AND MARKET RENTS.—Section 236(f) of the National Housing Act (12 U.S.C. 1715z–1(f)(1)) is amended by striking the subsection designation and all that follows through the end of paragraph (1) and inserting the following:

''(f)(1)(A)(i) For each dwelling unit there shall be established, with the approval of the Secretary, a basic rental charge and fair market rental charge.

''(ii) The basic rental charge shall be—

''(I) the amount needed to operate the project with payments of principal and interest due under a mortgage bearing interest at the rate of 1 percent per annum; or

''(II) an amount greater than that determined under clause (ii)(I), but not greater than the market rent for a comparable unassisted unit, reduced by the value of the interest reduction payments subsidy.

''(iii) The fair market rental charge shall be—

''(I) the amount needed to operate the project with payments of principal, interest, and mortgage insurance premium which the mortgagor is obligated to pay under the mortgage covering the project; or

''(II) an amount greater than that determined under clause (iii)(I), but not greater than the market rent for a comparable unassisted unit.

''(iv) The Secretary may approve a basic rental charge and fair market rental charge for a unit that exceeds the minimum amounts permitted by this subparagraph for such charges only if—

''(I) the approved basic rental charge and fair market rental charges each exceed the applicable minimum charge by the same amount; and

''(II) the project owner agrees to restrictions on project use or mortgage prepayment that are acceptable to the Secretary.

''(v) The Secretary may approve a basic rental charge and fair market rental charge under this paragraph for a unit with assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) that differs from the basic rental charge and fair market rental charge for a unit in the same project that is similar in size and amenities but without such assistance, as needed to ensure equitable treatment of tenants in units without such assistance.

''(B)(i) The rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the fair market rental charge determined pursuant to subparagraph (A), as represents 30 percent of the tenant's adjusted income, except as otherwise provided in this subparagraph.

''(ii) In the case of a project which contains more than 5000 units, is subject to an interest reduction payments contract, and is financed under a State or local project, the Secretary may reduce the rental charge ceiling, but in no case shall the rental charge be below the basic rental charge set forth in subparagraph (A)(ii)(I).

''(iii) For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the minimum basic rental charge set forth in subparagraph (A)(ii)(I) or such greater amount, not exceeding the lower of (I) the fair market rental charge set forth in subparagraph (A)(iii)(I), or (II) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located, as represents 30 percent of the tenant's adjusted income.

''(C) With respect to those projects which the Secretary determines have separate utility metering paid by the tenants for some or all dwelling units, the Secretary may—

''(i) permit the basic rental charge and the fair market rental charge to be determined on the basis of operating the project without the payment of the cost of utility services used by such dwelling units; and

''(ii) permit the charging of a rental for such dwelling units at such an amount less than 30 percent of a tenant's adjusted income as the Secretary determines represents a proportionate decrease for the utility charges to be paid by such tenant, but in no case shall rental be lower than 25 percent of a tenant's adjusted income.''.

(e) EFFECTIVE DATE OF 1998 PROVISIONS.—Section 236(g) of the National Housing Act (12 U.S.C. 1715z–1(g)), as amended by section 227 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Public Law 105–276; 112 Stat. 2490) shall be effective on the date of the enactment of such Public Law 105–276, and any excess rental charges referred to in such section that have been collected since such date of the enactment with respect to projects with mortgages insured under section 207 of the National Housing Act (12 U.S.C. 1713) may be retained by the project owner unless the Secretary of Housing and Urban Development specifically provides otherwise. The Secretary may return any excess charges remitted to the Secretary since such date of the enactment.

(f) EFFECTIVE DATE.—This section shall take effect, and the amendments made by this section are made and shall apply, on the date of the enactment of this Act.

SEC. 533. REHABILITATION OF ASSISTED HOUSING.

(a) REHABILITATION LOANS FROM RECAPTURED IRP AMOUNTS.—Section 236(s) of the National Housing Act (12 U.S.C. 1715z–1(s)) is amended—

(1) by striking the subsection designation and heading and inserting the following:

''(s) GRANTS AND LOANS FOR REHABILITATION OF MULTIFAMILY PROJECTS.—'';

(2) in paragraph (1), by inserting ''and loans'' after ''grants'';

(3) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking ''capital grant assistance under this subsection'' and inserting ''capital assistance under this subsection under a grant or loan only''; and

(B) in subparagraph (D)(i), by striking ''capital grant assistance'' and inserting ''capital assistance under this subsection from a grant or loan (as appropriate)'';

(4) in paragraph (3), by striking all of the matter that precedes subparagraph (A) and inserting the following:

''(3) ELIGIBLE USES.—Amounts from a grant or loan under this subsection may be used only for projects eligible under paragraph (2) for the purposes of—'';

(5) in paragraph (4)—

(A) by striking the paragraph heading and inserting ''GRANT AND LOAN AGREEMENTS''; and

(B) by inserting ''or loan'' after ''grant'', each place it appears;

(6) in paragraph (5), by inserting ''or loan'' after ''grant'', each place it appears;

(7) in paragraph (6), by adding at the end the following new subparagraph:

''(D) LOANS.—In making loans under this subsection using the amounts that the Secretary has recaptured from contracts for interest reduction payments pursuant to clause (i) or (ii) of paragraph (7)(A)—

''(i) the Secretary may use such recaptured amounts for costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of such loans; and

''(ii) the Secretary may make loans in any fiscal year only to the extent or in such amounts that amounts are used under clause (i) to cover costs of such loans.'';

(8) by redesignating paragraphs (5) and (6) (as amended by the preceding provisions of this subsection) as paragraphs (6) and (7); and

(9) by inserting after paragraph (4) the following new paragraph:

''(5) LOAN TERMS.—A loan under this subsection—

''(A) shall provide amounts for the eligible uses under paragraph (3) in a single loan disbursement of loan principal;

''(B) shall be repaid, as to principal and interest, on behalf of the borrower using amounts recaptured from contracts for interest reduction payments pursuant to clause (i) or (ii) of paragraph (7)(A);

''(C) shall have a term to maturity of a duration not shorter than the remaining period for which the interest reduction payments for the insured mortgage or mortgages that fund repayment of the loan would have continued after extinguishment or writedown of the mortgage (in accordance with the terms of such mortgage in effect immediately before such extinguishment or writedown);

''(D) shall bear interest at a rate, as determined by the Secretary of the Treasury, that is based upon the current market yields on outstanding marketable obligations of the United States having comparable maturities; and

''(E) shall involve a principal obligation of an amount not exceeding the amount that can be repaid using amounts described in subparagraph (B) over the term determined in accordance with subparagraph (C), with interest at the rate determined under subparagraph (D).''.

(b) IRP CAPITAL GRANTS REQUIREMENT FOR EXTENSION OF LOW-INCOME AFFORDABILITY REQUIREMENTS.—Section 236(s) of the National Housing Act (12 U.S.C. 1715z–1(s)) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraphs (C) and (D), as amended by the preceding provisions of this section, as subparagraphs (D) and (E), respectively; and

(B) by inserting after subparagraph (B) the following new subparagraph:

''(C) the project owner enters into such binding commitments as the Secretary may require (which shall be applicable to any subsequent owner) to ensure that the owner will continue to operate the project in accordance with all low-income affordability restrictions for the project in connection with the Federal assistance for the project for a period having a duration that is not less than the period referred to in paragraph (5)(C);''; and

(2) in paragraph (4)(B), by inserting ''and consistent with paragraph (2)(C)'' before the period at the end.

SEC. 534. TECHNICAL ASSISTANCE.

Section 514(f)(3) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by inserting after ''new owners)'' the following: '', for technical assistance for preservation of low-income housing for which project-based rental assistance is provided at below market rent levels and may not be renewed (including transfer of developments to tenant groups, nonprofit organizations, and public entities),''.

SEC. 535. TERMINATION OF SECTION 8 CONTRACT AND DURATION OF RENEWAL CONTRACT.

Section 8(c)(8) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(8)) is amended—

(1) in subparagraph (A)—

(A) by striking ''terminating'' and inserting ''termination of''; and

(B) by striking the third comma of the first sentence and all that follows through the end of the subparagraph and inserting the following: ''. The notice shall also include a statement that, if the Congress makes funds available, the owner and the Secretary may agree to a renewal of the contract, thus avoiding termination, and that in the event of termination the Department of Housing and Urban Development will provide tenant-based rental assistance to all eligible residents, enabling them to choose the place they wish to rent, which is likely to include the dwelling unit in which they currently reside. Any contract covered by this paragraph that is renewed may be renewed for a period of up to one year or any number or years, with payments subject to the availability of appropriations for any year.'';

(2) by striking subparagraph (B);

(3) in subparagraph (C)—

(A) by striking the first sentence;

(B) by striking ''in the immediately preceding sentence'';

(C) by striking ''180-day'' each place it appears;

(D) by striking ''such period'' and inserting ''one year''; and

(E) by striking ''180 days'' and inserting ''one year''; and

(4) by redesignating subparagraphs (C), (D), and (E), as amended by the preceding provisions of this subsection, as subparagraphs (B), (C), and (D), respectively.

SEC. 536. ELIGIBILITY OF RESIDENTS OF FLEXIBLE SUBSIDY PROJECTS FOR ENHANCED VOUCHERS.

Section 201 of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z–1a) is amended by adding at the end the following new subsection:

''(p) ENHANCED VOUCHER ELIGIBILITY.—Notwithstanding any other provision of law, any project that receives or has received assistance under this section and which is the subject of a transaction under which the project is preserved as affordable housing, as determined by the Secretary, shall be considered eligible low-income housing under section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4119) for purposes of eligibility of residents of such project for enhanced voucher assistance provided under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) (pursuant to section 223(f) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113(f))).''.

SEC. 537. ENHANCED DISPOSITION AUTHORITY.

Section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (12 U.S.C. 1715z–11a) is amended—

(1) by striking ''and 1999'' and inserting ''1999, and 2000''; and

(2) by striking ''or demolition'' and inserting '', demolition, or construction on the properties (which shall be eligible whether vacant or occupied)''.

SEC. 538. UNIFIED ENHANCED VOUCHER AUTHORITY.

(a) IN GENERAL.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended by inserting after subsection (s) the following new subsection:

''(t) ENHANCED VOUCHERS.—

''(1) IN GENERAL.—Enhanced voucher assistance under this subsection for a family shall be voucher assistance under subsection (o), except that under such enhanced voucher assistance—

''(A) subject only to subparagraph (D), the assisted family shall pay as rent no less than the amount the family was paying on the date of the eligibility event for the project in which the family was residing on such date;

''(B) during any period that the assisted family continues residing in the same project in which the family was residing on the date of the eligibility event for the project, if the rent for the dwelling unit of the family in such project exceeds the applicable payment standard established pursuant to subsection (o) for the unit, the amount of rental assistance provided on behalf of the family shall be determined using a payment standard that is equal to the rent for the dwelling unit (as such rent may be increased from time to time), subject to paragraph (10)(A) of subsection (o);

''(C) subparagraph (B) of this paragraph shall not apply and the payment standard for the dwelling unit occupied by the family shall be determined in accordance with subsection (o) if—

''(i) the assisted family moves, at any time, from such project; or

''(ii) the voucher is made available for use by any family other than the original family on behalf of whom the voucher was provided; and

''(D) if the income of the assisted family declines to a significant extent, the percentage of income paid by the family for rent shall not exceed the greater of 30 percent or the percentage of income paid at the time of the eligibility event for the project.

''(2) ELIGIBILITY EVENT.—For purposes of this subsection, the term 'eligibility event' means, with respect to a multifamily housing project, the prepayment of the mortgage on such housing project, the voluntary termination of the insurance contract for the mortgage for such housing project, the termination or expiration of the contract for rental assistance under section 8 of the United States Housing Act of 1937 for such housing project, or the transaction under which the project is preserved as affordable housing, that, under paragraphs (3) and (4) of section 515(c), section 524(d) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), section 223(f) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113(f)), or section 201(p) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z–1a(p)), results in tenants in such housing project being eligible for enhanced voucher assistance under this subsection.

''(3) TREATMENT OF ENHANCED VOUCHERS PROVIDED UNDER OTHER AUTHORITY.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, any enhanced voucher assistance provided under any authority specified in subparagraph (B) shall (regardless of the date that the amounts for providing such assistance were made available) be treated, and subject to the same requirements, as enhanced voucher assistance under this subsection.

''(B) IDENTIFICATION OF OTHER AUTHORITY.—The authority specified in this subparagraph is the authority under—

''(i) the 10th, 11th, and 12th provisos under the 'Preserving Existing Housing Investment' account in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204; 110 Stat. 2884), pursuant to such provisos, the first proviso under the 'Housing Certificate Fund' account in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Public Law 105–65; 111 Stat. 1351), or the first proviso under the 'Housing Certificate Fund' account in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Public Law 105–276; 112 Stat. 2469); and

''(ii) paragraphs (3) and (4) of section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), as in effect before the enactment of this Act.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2000, 2001, 2002, 2003, and 2004 such sums as may be necessary for enhanced voucher assistance under this subsection.''.

(b) ENHANCED VOUCHERS UNDER MAHRAA.—Section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking paragraph (4) and inserting the following new paragraph:

''(4) ASSISTANCE THROUGH ENHANCED VOUCHERS.—In the case of any family described in paragraph (3) that resides in a project described in section 512(2)(B), the tenant-based assistance provided shall be enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).''.

(c) ENHANCED VOUCHERS FOR CERTAIN TENANTS IN PREPAYMENT AND VOLUNTARY TERMINATION PROPERTIES.—Section 223 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113) is amended by adding at the end the following new subsection:

''(f) ENHANCED VOUCHER ASSISTANCE FOR CERTAIN TENANTS.—

''(1) AUTHORITY.—In lieu of benefits under subsections (b), (c), and (d), and subject to the availability of appropriated amounts, each family described in paragraph (2) shall be offered enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).

''(2) ELIGIBLE FAMILIES.—A family described in this paragraph is a family that is—

''(A)(i) a low-income family; or

''(ii) a moderate-income family that is (I) an elderly family, (II) a disabled family, or (III) residing in a low-vacancy area; and

''(B) residing in eligible low-income housing on the date of the prepayment of the mortgage or voluntary termination of the insurance contract.''.

This Act may be cited as the ''Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000''.

And the Senate agree to the same.

JAMES T. WALSH,
TOM DELAY,
DAVID HOBSON,
JOE KNOLLENBERG,
ROD FRELINGHUYSEN,
ROGER WICKER,
ANNE M. NORTHUP,
JOHN E. SUNUNU,
BILL YOUNG,
ALAN MOLLOHAN,
MARCY KAPTUR,
CARRIE P. MEEK,
DAVID E. PRICE,
BUD CRAMER,
DAVID OBEY
(except for delayed funding gimmick),
Managers on Part of the House.

C.S. BOND,
CONRAD BURNS,
RICHARD SHELBY,
LARRY E. CRAIG,
KAY BAILEY HUTCHISON,
TED STEVENS,
BARBARA MIKULSKI,
PATRICK LEAHY,
FRANK R. LAUTENBERG,
TOM HARKIN,
ROBERT C. BYRD,
DANIEL INOUYE,
Managers on Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2684) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying report.

The language and allocations set forth in House Report 106–286 and Senate Report 106–161 should be complied with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not changed by the report of the Senate or the conference, and Senate report language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases in which the House or Senate have directed the submission of a report, such report is to be submitted to both House and Senate Committees on Appropriations.

Unless specifically addressed in this report, the conferees agree to retain the reprogramming thresholds for each department or agency at the level established by the fiscal year 1999 conference agreement.

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

Provides up to $17,932,000 to be transferred to the general operating expenses and medical care accounts as proposed by the House instead of $38,079,000 as proposed by the Senate.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

Retains language proposed by the Senate providing $48,250,000 for the guaranteed transitional housing loans program account.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

Appropriates $19,006,000,000 for medical care as proposed by the House instead of $18,406,000,000 plus $600,000,000 in emergency funding as proposed by the Senate. The conferees have recommended $1,700,000,000 above the President's request for medical care. According to the General Accounting Office, there are many opportunities to make VA health care more cost-effective. These include improved procurement practices, consolidating certain services, and eliminating excess management layers and administration. The conferees expect VA to continue implementing reforms and improvements to the way it allocates its resources, ensuring that funds are focused on veterans health, not maintaining buildings and the status quo. The additional funds in VA's budget are for improving the quality of and access to veterans health care, accommodating uncontrollable increased costs associated with pharmaceuticals and prosthetics, enhancing care for homeless veterans, expanding alternatives to institutional long-term care, and accommodating some new requirements upon enactment of authorizing legislation. The conferees direct that VA submit as part of its operating plan a detailed description of its plans for allocating the additional funds.

Retains the Senate provision making $900,000,000, approximately 5 percent of the medical care appropriation, available until September 30, 2001.

Delays the availability of $900,000,000 of the medical care appropriation in the equipment and land and structures object classifications until August 1, 2000, instead of delaying the availability of $635,000,000 as proposed by the House and Senate.

Retains language proposed by the Senate transferring not to exceed $27,907,000 from the medical care appropriation to the general operating expenses appropriation for expenses of the Office of Resolution Management (ORM) and the Office of Employment Discrimination Complaint Adjudication (OEDCA).

Retains language proposed by the Senate directing the VA to contract for a recovery audit program of past medical payments. The intent of the provision is to ensure that clinical diagnoses and treatments match the codes which are submitted to VA for payment, and where an overpayment has been made, to enable VA to recover these funds for medical care. The conferees are interested to learn the quality of VA's financial records and whether VA's data quality has an impact on its ability to recover overpayments under this program. The conferees direct VA to provide a report detailing the progress and success of this program within one year after enactment of this Act.

The conferees reiterate their frustration with the way VA handled the directed report on the National Formulary by the Institutes of Medicine. The conferees direct that the VA deliver the completed report by July 11, 2000. If the report is not available on that date, the conferees direct the VA to brief the Committees on Appropriations as to the status and reasons why the report is not completed. The conferees strike the language inserted by the House restricting classification activities.

The conferees are concerned about the availability of mental health services and direct the VA to submit one report to the House and Senate Committees on Appropriations addressing the concerns described in House Report 106–286 and Senate Report 106–161, no later than March 31, 2000.

In each of the past two fiscal years the Congress has provided funding from within the VISN 8 allocation for a demonstration program to study the cost-effectiveness of contracting inpatient health care services with local East Central Florida hospitals. Based on the success of the program and the significant increase in funding provided in this bill for medical care, the conferees direct the VA to continue the demonstration program in fiscal year 2000. The conferees direct the VA to submit a report by April 1, 2000 addressing the costs and benefits of this program and the applicability of expanding this program to other parts of the country.

Due to the success of the program in VISN 8, the conferees view this program as a regular part of the VISN 8 system, not a demonstration, and expect that in future years any further funding or continuation considerations should be made on the demonstrated merits and available resources.

The conferees recommend $750,000 to continue VA's participation with the Alaska Federal Health Care Access Network.

The conferees direct the Department to continue the demonstration project involving the Clarksburg VAMC and the Ruby Memorial Hospital at West Virginia University.

The conferees encourage further deployment of the Joslin Vision Network as a high priority through available resources in the medical care account and not the medical and prosthetic research account as proposed by the House.

The conferees direct the VA to provide a report addressing the OIG findings and recommendations regarding local patient access to care, including the feasibility of a contracting demonstration program, for the medical care system serving Chattanooga, Tennessee by January 31, 2000.

The conferees direct the VA to submit a report on access to medical care and community-based outpatient clinics in Georgia's 7th Congressional District 30 days after the enactment of this bill.

In instances that significant deficiencies in quality of care and operations of VA medical facilities are identified by the VA Medical Inspector, the conferees expect that the VA will correct the deficiencies identified in the inspections and that resources such as the National Reserve Fund, other surplus resources, FTE, technical assistance, training and equipment should be made available on a priority basis to address the deficiencies.

The conferees are concerned that the VA medical system must cancel and/or reschedule healthcare appointments, creating an undue hardship to veterans. Furthermore, the conferees understand that the GAO is currently investigating this issue. Therefore, within 90 days after the GAO issues the final report on this issue, the conferees direct the VA to develop options to mitigate the hardship placed on veterans when the VA medical system cancels or reschedules their medical appointments and submit a report of those options to the committees.

The conferees urge the VA to partner with existing, federally-funded Community Health Care Centers to provide outpatient primary and preventive health care services to area veterans in their home communities. Such a plan would greatly enhance access to quality health care for veterans living in remote areas. The conferees urge the veteran populations in the following areas be included in such a program: Marshall County, Mississippi; Hardin County, Tennessee; and Letcher County, Kentucky.

The conferees support VA's efforts to undertake a three-year rural health care pilot program at the VAMC in White River Junction, Vermont. The rural health care services delivery model will explore new methods of optimizing surgical, ambulatory, and mental health care services in rural settings. VA estimates this will cost approximately $7,000,000 in fiscal year 2000.

The conferees urge the VA to make testing and treatment for hepatitis C broadly available to all veterans.

MEDICAL AND PROSTHETIC RESEARCH

Appropriates $321,000,000 for medical and prosthetic research, instead of $326,000,000 as proposed by the House and $316,000,000 as proposed by the Senate.

The conferees have not included the recommended funding as proposed by the House, but instead urge research endeavors in the areas of prostate imaging, bio-artificial kidney development, and artificial neural networks relating to the diagnosis and prognosis of heart disease, subject to the normal peer review procedures. The conferees are aware of bio-artificial kidney research being conducted by Dr. David Humes of the Ann Arbor VAMC and the University of Michigan.

The conferees direct $1,000,000 to the National Technology Transfer Center to establish a pilot program to assess, market, and license medical technologies researched in VA facilities. The conferees expect a report on the progress of this program by April 1, 2000.

The conferees are concerned about the review and oversight procedures protecting human subjects in research programs funded by the VA. The conferees believe an effective means of promoting adequate protections and informed consent for human subjects in VA research programs is ensuring that an appropriate mix of independent expertise is represented on Institutional Review Boards. Such boards have a special and sensitive responsibility to mentally ill veterans, who, because of the nature of their illness, may have difficulty fully understanding the purposes and risks associated with such research. The conferees therefore urge the VA to submit a report to the committees on the Department's progress for improving the functions and oversight of these boards, especially where they involve mental illness research, by March 31, 2000.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

Appropriates $59,703,000 for medical administration and miscellaneous operating expenses, instead of $61,200,000 as proposed by the House and $60,703,000 as proposed by the Senate.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

Appropriates $912,594,000 for general operating expenses as proposed by the Senate, instead of $886,000,000 as proposed by the House. The conferees provided $45,600,000, approximately 5 percent of the appropriation, to be available until September 30, 2001.

The conferees direct the immediate Office of the Secretary to limit travel expenditures to $100,000 in fiscal year 2000. The conferees are extremely concerned about recent findings of the Inspector General related to improper use of travel and representation funds by the Secretary and expect that the IG's recommendations will be implemented fully.

The conferees expect assurances that the Department is fiscally and logistically ready to consolidate computer services at the Austin Automation Center. Therefore, the conferees direct the VA to submit a report summarizing all cost/benefit studies regarding the consolidation and site readiness at Austin to accommodate the relocated services. The conferees direct that no funds in this Act will be used to relocate the center unless the VA submits the requested report to the Committees 60 days prior to moving operations from Hines.

NATIONAL CEMETERY ADMINISTRATION

Appropriates $97,256,000 for the National Cemetery Administration as proposed by the Senate instead of $97,000,000 as proposed by the House.

Restores language proposed by the Senate transferring not to exceed $90,000 ($84,000 for ORM and $6,000 for OEDCA) from the national cemetery administration appropriation to the general operating expenses appropriation for expenses of the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication. Additional information on funding for these two offices is included under the VA's administrative provisions section of this report.

OFFICE OF INSPECTOR GENERAL

Appropriates $43,200,000 for the Office of Inspector General as proposed by the Senate, instead of $38,500,000 as proposed by the House.

Retains Senate language transferring not to exceed $30,000 from the Office of Inspector General appropriation to the general operating expenses appropriation for expenses of the Office of Resolution Management ($28,000) and the Office of Employment Discrimination Complaint Adjudication ($2,000). Additional information on funding for these two offices is included under the VA's administrative provisions section of this report.

CONSTRUCTION, MAJOR PROJECTS

Appropriates $65,140,000 for construction, major projects instead of $34,700,000 as proposed by the House and $70,140,000 as proposed by the Senate.

The conference agreement includes the following changes from the budget estimate:

+$10,000,000 for capital asset planning.

+$1,000,000 for the advance planning and design of the Lebanon VAMC renovation of patient care units and enhancements for extended care programs, contingent upon authorization.

+$500,000 for planning national cemeteries in the regions designated by the authorizing committees in the Atlanta area of Georgia, the Pittsburgh area of Pennsylvania, South Florida, and Northern California.

−$6,500,000 from available unobligated balances in the working reserve.

The conferees support a new national cemetery in the Lawton, OK area. VA expects to award a design contract for architectural and engineering services for this project in October 1999. The conferees expect the President's fiscal year 2001 budget will include construction funds for this project.

CONSTRUCTION, MINOR PROJECTS

Appropriates $160,000,000 for construction, minor projects instead of $102,300,000 as proposed by the House and $175,000,000 as proposed by the Senate.

Of the funds provided, the conferees direct $150,000 for ''mothballing'' four historic buildings at the Dayton VAMC in Dayton, Ohio; $3,000,000 for renovations of the research building at the Bronx VAMC in Bronx, New York; $500,000 for preparation of the satellite site at the National Cemetery at Salisbury, North Carolina; and $3,900,000 to convert unfinished space into research laboratories at the ambulatory care addition of the Harry S Truman VAMC. The conferees also request a study to examine and design a relocated entrance to the West Virginia National Cemetery in Grafton, West Virginia.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriates $90,000,000 for grants for construction of state extended care facilities as proposed by the Senate, instead of $87,000,000 ($80,000,000 in the grants for construction of state extended care facilities account and an additional $7,000,000 in Sec. 426 of the General Provisions) as proposed by the House.

GRANTS FOR CONSTRUCTION OF STATE VETERANS CEMETERIES

Appropriates $25,000,000 for grants for construction of state veterans cemeteries as proposed by the Senate, instead of $11,000,000 as proposed by the House.

ADMINISTRATIVE PROVISIONS

Deletes language proposed by the House authorizing the reimbursement of expenses for the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication from other VA appropriations beginning in fiscal year 2000,

and inserts language as proposed by the Senate transferring amounts in medical care ($27,907,000—$26,111,000 for ORM and $1,796,000 for OEDCA), national cemetery administration ($117,000—$111,000 for ORM and $6,000 for OEDCA), and Office of Inspector General ($30,000—$28,000 for ORM and $2,000 for OEDCA) to the general operating expenses appropriation. In addition, $2,068,000 is assumed in the general operating expenses appropriation for these activities. All funds for these two offices should be requested in the general operating expenses appropriation in fiscal year 2001.

The conferees recognize that transportation to VA hospitals and clinics is a major concern to many veterans in rural areas. The conferees direct the VA to conduct a study to determine to what extent geography and distance serve as a barrier to health care in rural areas. The conferees direct the VA to report its findings back to Congress no later than February 1, 2000. Furthermore, the conferees direct the VA to develop a proposal addressing this concern.

Both the House and Senate included provisions expressing the concern about the quality of and access to medical care for veterans in rural areas. The conferees consolidated the two provisions in this title under Sec. 108.

Retains Sec. 109, proposed by the House authorizing $11,500,000, originally appropriated in fiscal year 1998 to renovate Building 9 at the VAMC in Waco, Texas, to instead be used for renovation and construction of a joint venture cardiovascular institute at the Olin E. Teague VAMC in Temple, Texas.

In response to the GAO report, VA Health Care: Closing a Chicago Hospital Would Save Millions and Enhance Access to Services, the VHA established the VISN 12 Delivery Options Study Steering Committee to provide recommended options for optimally aligning resources with veteran needs. The conferees have concerns about the recommended option of the VISN 12 Delivery Options Study as it may be inconsistent with the GAO report. The conferees understand that the recommended option is under review and may lead to a realignment plan being proposed by VHA for VISN 12. Sec. 110 has been included to ensure appropriate consultation and input for all stakeholders.

Deletes bill language proposed by the Senate presuming cancer of the lung, colon, brain and central nervous system should be added to the list of radiogenic diseases presumed to be service-connected disabilities by the Department.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $11,376,695,000 for the housing certificate fund, instead of $10,540,135,000 as proposed by the House and $11,051,135,000 as proposed by the Senate. The conference agreement includes:

—$10,990,135,000 for expiring section 8 housing assistance contracts, tenant protections, including tenant protections for HOPE VI relocations, section 8 amendments, contract administration, enhanced vouchers, and contracts entered into pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act;

—$346,560,000 to provide 60,000 incremental section 8 housing assistance vouchers, to increase the number of low-income individuals and families receiving assistance; and

—$40,000,000 to provide section 8 housing vouchers to non-elderly, disabled residents who are affected by designation of public and assisted housing as ''elderly-only'' developments.

Within the overall totals for the housing certificate fund, the House bill provided $25,000,000 for non-elderly disabled residents and did not specify a division between the amounts for contract renewals and tenant protection vouchers, while the Senate bill provided $10,855,135,000 for contract renewals, $156,000,000 for tenant protection vouchers, and $40,000,000 for the non-elderly disabled. Neither bill provided funds for incremental vouchers.

The conferees note that the costs of renewing all expiring section 8 housing assistance contracts will continue to rise significantly from year to year. The 60,000 additional vouchers provided in the conference agreement will need to be funded in future years, and will place substantial burdens on the Congress. The conferees have agreed to fund these incremental vouchers for fiscal year 2000, based in part on the Administration's representation that it will endeavor to address the shortfalls in this account and to fully fund these and all other section 8 contracts in fiscal year 2001.

The conferees expect the Administration to submit a budget request for fiscal year 2001 that includes sufficient funding for the section 8 account, including vouchers added this year, consistent with the agreement reached between the Administration and the conferees.

While the conferees have included funds for incremental voucher assistance, they note that vouchers are not a panacea for low-income, affordable housing. The voucher program has significant problems, with families in many areas of the country unable to utilize effectively this housing subsidy, especially in high-cost areas where the payment standard of the voucher program may not be sufficient to cover market rents. Moreover, there is a substantial shortage of available, low-income affordable housing throughout the country, and vouchers do not provide an effective financing tool that will result in constructing additional affordable housing. Finally, there is a need for communities, nonprofits, public housing authorities and others to create links between all HUD programs, to ensure that housing and community development assistance is integrated to benefit the overall needs of the community.

Inserts language, as proposed by the Senate, making the amount set aside for non-elderly disabled persons affected by elderly-only designations also available to assist other disabled persons, to the extent that amounts are not needed to fund applications from those affected by designations.

Inserts language proposed by the House and not included by the Senate requiring HUD to determine section 8 administrative fees for public housing authorities under the requirements in effect before enactment of the Quality Housing and Work Responsibility Act of 1998.

Inserts language proposed by the Senate adopting the Administration's recommendation to provide $4,200,000,000 (within the overall totals given above for the housing certificate fund) in the form of an advance appropriation that will first become available in fiscal year 2001. This advance appropriation is intended to cover a portion of expenditures that will actually occur in fiscal year 2001 under section 8 contracts renewed during fiscal year 2000. The House did not include such an advance appropriation, but instead followed the past practice of providing all funds needed for fiscal year 2000 contract renewals in the form of a regular fiscal year 2000 appropriation.

Deletes language proposed by the Senate and not included by the House prohibiting funds from being expended for the Regional Opportunity Counseling program.

Inserts language, not included by either the House or the Senate, rescinding $1,300,000,000 in recaptured section 8 housing assistance funds from the Annual Contributions for Assisted Housing account and the Housing Certificate Fund account that are not expected to be needed in fiscal year 2000.

Inserts language, not included by either the House or the Senate, rescinding $943,000,000 in unobligated balances of funds previously appropriated in the Housing Certificate Fund or Annual Contributions for Assisted Housing accounts.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $2,900,000,000 for the public housing capital fund instead of $2,555,000,000 as proposed by the Senate and the House. The conferees recommend an increase in this appropriation above the levels provided in either the House or the Senate bill, in recognition of the serious unmet needs for capital improvements to the nation's public housing. The conferees believe that providing adequate funding to renovate and improve these facilities is less costly than allowing them to fall into disrepair. Currently, HUD estimates that the 3,400 public housing authorities have a backlog of modernization needs that totals more than $20,000,000,000. This is due in large part to the age of the inventory, as at least half of the 1,322,000 apartments managed by public housing authorities are more than 30 years old and are home to almost 3,000,000 people, 43% of whom are 62 or older or have a disability. Families with children live in the remaining apartments. Public housing represents a major investment of federal resources over many years, and it is vital that funding be provided to properly preserve this taxpayer investment. Allowing more of these housing units to deteriorate to the point that they must be demolished and rebuilt would be a far more costly option.

Includes $75,000,000 for technical assistance under section 9(h) of the United States Housing Act of 1937, instead of $100,000,000 as proposed by the Senate and $50,000,000 as proposed by the House. The conferees note that section 9(h) includes the costs of travel, and have therefore deleted a House provision that provided $1,000,000 for travel costs. Finally, the conferees direct HUD to include in its operating plan a detailed description of the Department's plans for utilizing these technical assistance funds in fiscal year 2000, and to include a similarly detailed description in next year's budget justification regarding plans for use of any funds requested for fiscal year 2001. Unless such information is provided, the conferees would be very reluctant to continue appropriating funds for technical assistance in the future.

Includes $75,000,000 for the Secretary's discretionary fund for the purpose of making grants to PHAs for emergency capital needs resulting from emergencies and natural disasters. The House did not include a similar provision and the Senate expressly provided no funds for this activity under section 9(k)of the United States Housing Act of 1937.

PUBLIC HOUSING OPERATING FUND

Appropriates $3,138,000,000 for the public housing operating fund instead of $2,818,000,000 as proposed by the House, and $2,900,000,000 as proposed by the Senate. Like the increase to the public housing capital fund, this increase reflects the conferees' commitment to providing adequate resources to public housing—in this case for basic costs like water, gas and electric utilities, security, and routine maintenance.

Inserts language proposed by the Senate and not included by the House prohibiting funds from being used for the Secretary's discretionary fund under section 9(k) of the United States Housing Act of 1937.

The conferees direct HUD to delay implementing the Public Housing Assessment System (PHAS) until, in consultation with public housing authorities (PHAs) and their designated representatives, the Secretary: (a) conducts a thorough analysis of all advisory PHAS assessments; (b) reviews the GAO's study of the PHAS when it is complete; and (c) based on that analysis and review, publishes in the Federal Register a new consensus-based PHAS final rule that incorporates any recommended changes resulting from the process referenced above. Finally, HUD shall take all reasonable steps to minimize the costs and burdens the PHAS imposes on public housing authorities. The conferees intend that the PHAS, when finalized, acknowledge the complexities and practicalities inherent in managing large-scale apartment buildings and make allowances for these considerations.

Finally, the conferees note that the negotiated rule-making on revisions to the ''performance funding system'' formula for allocating operating subsidy funds appears to have stalled, in part because of lack of adequate data about actual costs of operating public housing. Therefore, before a proposed rule is published in the Federal Register, the conferees direct HUD to contract with the Harvard University Graduate School of Design to conduct a study on the costs incurred in operating well-run public housing and provide the results to the negotiated rule-making committee and the appropriate congressional committees. The final report shall be completed by October 1, 2000. The conferees direct that $3,000,000 from technical assistance funds in the public housing capital fund account be set-aside for this purpose.

DRUG ELIMINATION GRANTS FOR LOW INCOME HOUSING

(INCLUDING TRANSFER OF FUNDS)

Appropriates $310,000,000 for drug elimination grants, as proposed by the Senate instead of $290,000,000 as proposed by the House.

Includes $20,000,000 for the New Approach Anti-Drug program, as proposed by the Senate, rather than no funding as proposed by the House.

Includes $4,500,000 for technical assistance grants as proposed by the House instead of $5,000,000 as proposed by the Senate. Of this set-aside, $150,000 is for related travel as proposed by the House, instead of $250,000 as proposed by the Senate.

Deletes language proposed by the Senate and not included by the House requiring notice and comment rulemaking in all situations where HUD makes substantive changes to the grant program. Nevertheless, the conferees strongly believe in the value of notice and comment rulemaking, and remind the Department of the requirements set forth in the Administrative Procedures Act and in section 208 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act for fiscal year 1998. The conferees encourage the Department to institutionalize the drug elimination grant program through an appropriate rulemaking process.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

Appropriates $575,000,000 for the revitalization of severely distressed public housing program as proposed by the House, instead of $500,000,000 as proposed by the Senate.

Inserts language proposed by the House and stricken by the Senate providing $10,000,000 for technical assistance, training, and necessary travel.

The conferees note the Department's success in leveraging local businesses, community organizations, residents, and other partners, to create residential computing centers in multifamily housing through the unfunded Neighborhood Networks Initiative. This initiative bridges the information technology gap in communities, helping hundreds of residents, such as those in The Terraces in West Baltimore, improve computer technology skills, which in turn increases job and education opportunities. The conferees believe that the opportunity to bridge the digital divide should also be available to HOPE VI residents and directs the Department to undertake an effort to adapt the Neighborhood Networks Initiative to new HOPE VI projects. The conferees further direct the Department to report on the status of its efforts to implement the Neighborhood Networks Initiative in HOPE VI communities no later than June 30, 2000.

The conferees direct the Department to contract with the Urban Institute to conduct an independent study on the long-term effects of the HOPE VI program on former residents of distressed public housing developments, focusing on the effects of relocation and improved community and supportive services. The conferees have provided $1,200,000 from within this account for this purpose. Because HOPE VI was established to address the social needs of residents as well as the physical distress of the housing, the conferees feel that it is important to assess the effectiveness of the social aspects of the program in order to better evaluate the accomplishments of the program.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFER OF FUNDS)

Includes $6,000,000 for technical assistance grants, of which $4,000,000 is for HUD and $2,000,000 is for the National American Indian Housing Council (NAIHC). The House provided the entire amount to HUD while the Senate provided $4,000,000 to NAIHC and $2,000,000 to HUD. Of the amount $200,000 is for related travel instead of $100,000 as proposed by the House and $300,000 as proposed by the Senate.

The housing and economic development problems faced by Indian tribes are unique because of the special status accorded to reservation lands. NAIHC has a proven technical assistance and training program that the conferees believe could be a valuable tool in addition to HUD's existing technical assistance programs. Prior to receiving the grant, the conferees expect NAIHC to provide a business plan to HUD and to the Committees on Appropriations for expending these funds. The plan should include performance measures and goals. Upon receipt and review of the plan, HUD is directed to enter into a contract with NAIHC, and to deliver the funds by March 1, 2000.

Inserts language proposed by the House and stricken by the Senate making a technical correction to bill language.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Inserts language proposed by the House and stricken by the Senate making a technical correction to bill language.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

Appropriates $232,000,000 for housing opportunities for persons with AIDS, as proposed by the Senate instead of $225,000,000 as proposed by the House. Of the amount, .75 percent is appropriated for technical assistance instead of .50 percent as proposed by the House and 1 percent as proposed by the Senate.

Deletes bill and report language proposed by the Senate requiring HUD to give priority to renewing existing programs. The House did not include similar language.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

Appropriates $25,000,000 for rural housing and economic development as proposed by the Senate, instead of a $10,000,000 set-aside in the Community Development Block Grant (CDBG) account as proposed by the House. The conferees note that they intend to fully review HUD's Notice of Funding Availability (NOFA), which is the vehicle HUD has used to implement this program, and to make recommendations about its contents where necessary. Furthermore, the conferees reiterate their expectation that HUD will cooperate with the United States Department of Agriculture (USDA), review the requirements of USDA's rural development and housing programs, and incorporate USDA definitions and requirements in this program to the extent appropriate.

AMERICA'S PRIVATE INVESTMENT COMPANIES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Inserts new language providing $20,000,000 for America's private investment companies program account, contingent upon enactment of authorizing legislation prior to June 30, 2000. If the program is not authorized, the funds shall be transferred to the Community Development Financial Institutions program. Neither the House nor the Senate included a similar provision.

URBAN EMPOWERMENT ZONES

Inserts new language providing $55,000,000 for grants to urban empowerment zones to be used in conjunction with economic development activities detailed in the strategic plans of each empowerment zone. Neither the House nor the Senate included a similar provision.

RURAL EMPOWERMENT ZONES

Inserts new language providing $15,000,000 to the Secretary of the United States Department of Agriculture for grants to designated empowerment zones.

COMMUNITY DEVELOPMENT BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $4,800,000,000 for community development block grants, as proposed by the Senate instead of $4,500,200,000 as proposed by the House. The conferees agree to the following earmarks:

—$41,500,000 for section 107 grants. The House provided $30,000,000 for section 107 grants and the Senate provided $41,500,000 for section 107 grants. The conference agreement provides the following earmarks:

—$3,000,000 is for community development work study;

—$10,000,000 is for historically black colleges and universities;

—$8,000,000 is for the Community Outreach Partnerships program;

—$7,000,000 is for insular areas;

—$2,000,000 is for native Hawaiian Serving Institutions and for Alaska Native Serving Institutions, to be divided evenly;

—$6,500,000 is for Hispanic Serving Institutions; and

—$5,000,000 is for management information systems;

—$2,200,000 for the National American Indian Housing Council instead of $3,000,000 as proposed by the House and $1,800,000 as proposed by the Senate;

—$20,000,000 for the Capacity Building for Community Development and Affordable Housing program, authorized by section 4 of P.L. 103–120, as in effect before June 12, 1997, instead of the $15,000,000 proposed by the House and $25,000,000 proposed by the Senate; of the amount provided in the conference report, at least $4,000,000 shall be for capacity building activities in rural areas;

—$3,750,000 for the capacity building activities of Habitat for Humanity International, as proposed by the House and instead of no funding as proposed by the Senate;

—$42,500,000 for Youthbuild, including $2,500,000 for a grant to Youthbuild USA for capacity building activities, the same as proposed by both the House and Senate (apart from a technical correction);

—$20,000,000 for grants to eligible grantees under section 11 of the Self-Help Housing Opportunity Program Extension Act of 1996, instead of $15,000,000 as proposed by the House. The Senate did not include funds for this item;

—$30,000,000 for the Neighborhood Initiatives program, instead of $20,000,000 as proposed by the House and no funding as proposed by the Senate;

—$5,000,000 is for the Institute for Software Research for construction related to a high-technology diversification initiative;

—$10,000,000 is for the City of Syracuse, New York, for the Neighborhood Initiative Program;

—$4,000,000 for Missouri, of which $1,500,000 shall be for the St. Louis Sustainable Neighborhoods Initiative, of which at least $500,000 shall be made available for the redevelopment of the Lemay community and at least $500,000 shall be for the redevelopment of Grand Rock community, both in St. Louis, and $2,500,000 shall be made available for Kansas City, Missouri, of which $1,500,000 shall be made available for the Midtown Community Development Corporation for the redevelopment of the Mount Cleveland community and $1,000,000 shall be made available for the East Meyer Community Association for the redevelopment of the East Meyer community; and

—$1,000,000 shall be for the Patterson Park Community Development Corporation to establish a revolving fund to acquire and rehabilitate properties in Baltimore, Maryland; $500,000 for the City of Suffolk, Virginia for the East Suffolk Gateway Redevelopment project; $500,000 for Fort Dodge, Iowa for the Soldier Creek neighborhood revitalization project; $750,000 for the Mitchell Development Corporation for economic development activities in Mitchell, South Dakota; $500,000 for the City of Green Bay, Wisconsin for Broadway Street revitalization; and $500,000 for the City of Yankton, South Dakota for the restoration of the downtown area and the development of the Fox Run Industrial Park;

—$29,000,000 for credit subsidy for section 108 loan guarantees as proposed by the Senate instead of $25,000,000 as proposed by the House. This level of credit subsidy should produce no more than $1,261,000,000 in loan guarantees as proposed by the Senate instead of $1,087,000,000 as proposed by the House; and,

—$275,000,000 for economic development grants, instead of $20,000,000 as proposed by the House and $110,000,000 as proposed by the Senate. The conferees agree to the following targeted economic development initiatives:

—$480,000 to the Town of Swearingen, Alabama for water system infrastructure improvements;

—$300,000 to Lamar County, Alabama for upgrading sewer and water supply systems;

—$140,000 to Rainsville, Alabama for infrastructure improvements to the town's industrial park;

—$60,000 to Haleyville, Alabama for purchase and renovation of a senior citizens center and a Head Start facility;

—$800,000 to the City of Mobile, Alabama for the waterfront development project;

—$500,000 to the University of Alabama for the construction of a child development facility;

—$500,000 to the University of South Alabama for the construction of an archaeological research facility;

—$250,000 to Stillman College in Tuscaloosa, Alabama for the construction and development of a health and wellness facility;

—$200,000 to the City of Daphine, Alabama for revitalization of the Daphne Bayfront Park;

—$1,500,000 to Union County, Arkansas to find alternative water sources to the Sparta Sands Aquifer;

—$1,000,000 to the City of Sierra Vista, Arizona for a wastewater treatment and effluent recharge facility;

—$500,000 to the Boys and Girls Club in Oxnard, California for the renovation and expansion of existing facilities;

—$250,000 to the County of San Bernardino, California for the rehabilitation of Fogelsong Pool in Barstow;

—$425,000 to the City of Highland, California for public park facilities to serve the recreational needs of the local community;

—$250,000 to the County of San Bernardino, California for a River Walk Nature and Bike Trail on the Mojave river between Mojave Narrows and Old Town Victorville;

—$425,000 to the County of San Bernardino, California for the Yucaipa Valley Regional Soccer Complex;

—$500,000 to the San Bernardino National Forest for Phase II construction of the Big Bear Discovery Center;

—$50,000 to the City of Twentynine Palms, California for the completion of the mural project;

—$100,000 to the City of Loma Linda, California for road infrastructure improvements;

—$1,000,000 to the City of San Juan Capistrano for the rehabilitation and historic preservation of the Mission San Juan Capistrano;

—$500,000 to the City of Citrus Heights, California for the revitalization of the Sunrise Mall;

—$750,000 to the City of Escondido, California for the development and infrastructure improvements associated with Quail Hills Industrial Park;

—$600,000 to the City of Tracy, California for the repair/construction of the Tracy Fire Station Number 1;

—$350,000 to the City of Riverside, California for the expansion of the Goeske Senior and Disabled Citizens Center;

—$350,000 to the City of Fountain Valley, California for the expansion of the Mile Square Regional Park recreation facility;

—$350,000 to the City of Huntington Beach, California for soil remediation and cleanup activities in Huntington Central Park;

—$1,000,000 to the City of San Diego, California for the San Diego Children's Convalescent Hospital;

—$100,000 to the City of Arcadia, California for the Arcadia Historical Museum;

—$400,000 to the City of Claremont, California for construction of a community center;

—$1,000,000 to the City of Pasadena, California for renovation and rehabilitation of the Pasadena Civic Auditorium;

—$20,000 to the City of Glendale, California for city infrastructure improvements;

—$250,000 to Shelter From the Storm, Inc., a battered women's and children's center in Palm Desert, California;

—$250,000 to the City of El Segundo, California for the design and development of the Douglas Street Gap Closure project;

—$200,000 to the County of Tulare, California for road infrastructure improvements;

—$400,000 to the City of Bakersfield, California to redevelop downtown Bakersfield through the Mobility Opportunities via Education initiative;

—$100,000 to the County of Tulare, California for construction of an international trade center;

—$600,000 to the Klingberg Family Centers in New Britain, Connecticut for the expansion of their school;

—$250,000 to the City of Miami Beach, Florida for the North Beach Recreation Corridor Initiative;

—$600,000 to the City of Largo, Florida for economic development and infrastructure improvements;

—$1,400,000 to the City of Clearwater, Florida for costs associated with the development of a regional stormwater retention facility;

—$300,000 to the City of Edgewater, Florida for the construction of an emergency shelter;

—$400,000 to the City of Jacksonville, Florida for the development of an ecosystem tourist program;

—$300,000 to the City of Jacksonville, Florida for the Lower East Side/Upper Deer Creek Stormwater Project;

—$1,250,000 to the Town of Milton, Florida for the construction of a hurricane shelter;

—$250,000 to the City of Miami, Florida for the OpSail Miami 2000 cultural exchange program;

—$500,000 to the Tubman African American Museum in Macon, Georgia for development of a new facility;

—$400,000 to the City of Savannah, Georgia for development of a youth facilty;

—$500,000 to Rockdale County, Georgia for the development of Georgia Veterans' Park;

—$500,000 to the Village of Hampshire, Illinois to construct new drinking water facilities;

—$500,000 to the Haymarket Center in Haymarket, Illinois for a community and family learning center;

—$750,000 to Edward Hospital in Naperville, Illinois for the construction of a women and children's pavillion;

—$250,000 to the Town of Cortland, Illinois for water treatment facility improvements;

—$250,000 to the Town of Steward, Illinois for water treatment facility improvements;

—$500,000 to Loyola University, Illinois for expansion of their computer and information resource centers;

—$500,000 to the Safe Haven Foundation, Inc. in Indianapolis, Indiana to expand domestic violence shelters and related services;

—$250,000 to Ball State University, Indiana for the development of the Workforce Technology Enhancement Project;

—$500,000 to Tri-State University, Indiana for the expansion, renewal, and renovation of their Business and Engineering Departments, including the Tri-State Leadership Institute and Center;

—$1,000,000 to the Home of the Innocents in Louisville, Kentucky for the expansion and relocation of a facility to help abused children;

—$500,000 to the Wayne County, Kentucky Historical Society to complete the renovation and restoration of the Wayne County Historical Museum;

—$500,000 to the Kentucky Highlands Investment Corporation in London, Kentucky for expansion of a venture capital fund;

—$500,000 to the Center for Rural Development in Somerset, Kentucky for continued development and training for a regional teleconferencing network;

—$250,000 to Bell County, Kentucky for renovation of the Pine Mountain Park Amphitheater;

—$250,000 to the Magoffin County, Kentucky Historical Society for the expansion of the Pioneer Tourist Information and Visitor Center;

—$250,000 to Montgomery County, Kentucky for redevelopment of a community center;

—$300,000 to the Port of South Louisiana for the expansion of the Globalplex Intermodal Terminal Facility;

—$100,000 to the City of New Iberia, Louisiana for economic development and revitalization of the downtown area;

—$50,000 to the City of Thibodaux, Louisiana for infrastructure improvements to the Civic Center;

—$50,000 to St. Charles Parish, Louisiana for the enhancement of the parks and recreation system;

—$100,000 to Plaquemines Parish, Louisiana for enhancements and upgrades to their Disaster Communications Center;

—$100,000 to Nicholls State University in Louisiana for expansion and development of the Family and Consumer Science Program;

—$300,000 to Wayne State University in Michigan for infrastructure improvements to the Merrill-Palmer Institute's child care research facilities;

—$500,000 to Wayne County, Michigan for enhancement of geographical information systems to expedite economic development;

—$100,000 to the City of Detroit, Michigan for the Covenant House, a long-term transitional living facility for homeless adults;

—$250,000 to the National Eagle Center community development project in Wabasha, Minnesota;

—$1,100,000 to the City of Fulton, Mississippi for water infrastructure improvements for the Northeast Mississippi Regional Water Supply District;

—$200,000 to the Town of Sardis, Mississippi for economic development and related infrastructure and recreational facilities;

—$550,000 to the City of Lincoln, Nebraska for Cedars Youth Services for the development of a youth home;

—$750,000 to Wake Forest University in North Carolina for the continued development of the University's Baptist Medical Center;

—$250,000 to the Town of Berlin, New Hampshire for the Northern Forest Heritage Park;

—$300,000 to the Town of Tamworth, New Hampshire for the construction of a multi-service community center;

—$1,000,000 to the Child Health Institute in New Jersey for development;

—$550,000 to the Morris County Urban League, New Jersey to support community outreach and child care initiatives;

—$100,000 to the Town of Dover, New Jersey to renovate and establish El Primer Paso, an early childhood education center;

—$350,000 to the Morris Area Girl Scout Council in Randolph, New Jersey for upgrading facilities at Jockey Hollow campgrounds;

—$300,000 to the County of Bernalillo, New Mexico to conduct a feasibility study and design for the Wheels Museum;

—$200,000 to the City of Albuquerque, New Mexico for restoration planning and design of the Albuquerque Little Theatre;

—$1,000,000 to the Buffalo Economic Renaissance Corporation in New York for the development of the Atlantic Corridor business exchange and education program;

—$345,000 to Wayne County, New York for anti-erosion measures and construction on Port Bay Barrier Bar;

—$500,000 to the Water Systems Council in Glenellen, Illinois for rural water infrastructure;

—$155,000 to the Town of Amherst, New York for rehabilitation of the Amherst Senior Center;

—$750,000 to Rural Opportunities, Inc. in Rochester, New York for the establishment of the Rural Opportunities Affordable Housing Alliance to expand housing opportunities in rural communities;

—$700,000 to the Port Authority of New York and New Jersey for construction and dredging of the Arthur Kill at Howland Hook Marine Terminal;

—$100,000 to the New York City Economic Development Corporation for the Fifth Avenue Reconstruction in Bay Bridge, Brooklyn, New York;

—$750,000 to the State University of New York at Stonybrook in Islip, New York for the Center for Emerging Technology;

—$1,000,000 to Carnegie Hall in New York City, New York for the Third Stage Project;

—$400,000 to Neve Yerushalayim College in Brooklyn, New York for the development of a Residential Community Center;

—$500,000 to the Town of Babylon, New York for revitalization of the Babylon Citizen's Cultural Resource Center;

—$1,000,000 to the Town of Massena, New York for the construction of the St. Lawrence Aquarium and Environmental Research Institute;

—$1,000,000 to the County of Schuyler, New York for the Schuyler County Partnership for Economic Development to develop a business park and revitalize Watkins Glen International;

—$200,000 to the New York Institute of Technology for the rehabilitation of Robbins Hall;

—$200,000 to the Village of Amityville, New York for construction and revitalization of the Village's downtown area;

—$3,000,000 to Olympic Regional Development Authority, New York for upgrades at Mt. Van Hoevenberg Sports Complex;

—$500,000 to the Village of Freeport, New York to revitalize the Nautical Mile;

—$275,000 to the Town of New Brunswick, New York for the extension of a water line to a senior housing project;

—$225,000 to the Town of East Greenbush, New York for road infrastructure improvements;

—$450,000 to the County of Cortland, New York for the acquisition and remediation of the Contento scrapyard;

—$1,000,000 to St. Joseph's Hospital Health Center for the Central New York Cardiac Care and Hemodialysis Enhancement Center in Syracuse, New York;

—$250,000 to the City of Syracuse, New York for renovations to the Media Unit Building;

—$450,000 to the City of Syracuse, New York for the renovation and revitalization of the Everson Museum;

—$1,000,000 to the University of Syracuse in New York for rehabilitation and community redevelopment of the Marshall Street area;

—$450,000 to the City of Syracuse, New York for rehabilitation and conversion of part of the former NYNEX building into a parking garage;

—$500,000 to Onondaga County, New York for infrastructure improvements involved in the expansion of the New Venture Gear Facility;

—$500,000 to the City of Syracuse, New York for renovations to the O.M. Edwards Building;

—$250,000 to the City of Syracuse, New York for renovations to the Dunbar Center;

—$440,000 to the Village of Weedsport, New York for the construction of a water storage facility;

—$150,000 to the City of Auburn, New York for renovation of the Schine Theater;

—$100,000 to the Village of Newark Valley, New York for the construction of a new well;

—$160,000 to the Town of Victory, New York for the extension of a water line;

—$300,000 to the Town of Elbridge, New York for extension of a water line to provide additional fire protection for the Tessy Plastics facility;

—$500,000 to the Southeastern Otsego Health Center in Worchester, New York to enhance their health care facilities;

—$500,000 to the Dominican College in Orangeburg, New York to establish a Center for Health Sciences;

—$600,000 to the New York State Education and Research Network for support of advanced application implementation on high performance networks;

—$500,000 to the State University of New York at Albany, New York to establish an economic development/workforce training initiative;

—$700,000 to the Hebrew Academy for Special Children in New York for expansion of a developmentally disabled children program;

—$250,000 to the Orange County Mental Health Association in Orange County, New York to provide enhanced health care services;

—$700,000 to the University Colleges of Technology of the State University of New York for the development of the Telecommunications Center for Education;

—$700,000 to the Children's Center of Brooklyn, New York for the construction of a facility to house educational and therapeutic programs for disabled preschool children;

—$1,000,000 to Wittenberg University, Ohio for rehabilitation and renovation of a Science Center facility;

—$500,000 to the Greene County, Ohio Park District to construct a composite materials bicycle/pedestrian bridge;

—$1,000,000 to Holmes County, Ohio for the construction of a wellness center;

—$400,000 to the University of Cincinnati for renovation of the medical science building;

—$1,500,000 to the City of Oklahoma City, Oklahoma for the loan fund created to assist with recovery efforts from the Oklahoma City bombing;

—$360,000 to the Borough of New Hope, Pennsylvania for redevelopment and revitalization of the site formerly known as Union Camp;

—$40,000 to the Township of Tinicum, Pennsylvania for a floodplain delineation/hydraulic modeling study;

—$400,000 to Wyoming County, Pennsylvania for a radiological facility at the Tyler Memorial Hospital in Tunkhannock;

—$500,000 to Calhoon County, South Carolina for economic development and infrastructure improvements;

—$300,000 to Carter County, Tennessee for road construction and water infrastructure improvements;

—$300,000 to the ArtSpace Victory Arts Center in Texas for the revitalization of the Our Lady of Victory Convent;

—$350,000 to the City of Lubbock, Texas for development of the American Wind Power Center;

—$350,000 to the City of Lubbock, Texas for the Texas Aviation Heritage Foundation;

—$1,000,000 million to the Salt Lake City Organizing Committee for housing infrastructure improvements for the Olympics and Paralympics;

—$50,000 to the Town of Shenandoah, Virginia for the establishment of a comprehensive economic development strategy;

—$1,000,000 to Warren County, Virginia for asbestos remediation and lead paint removal at the Avtex Superfund Site in Front Royal, Virginia;

—$500,000 to Fairfax County, Virginia to revitalize low and moderate income housing;

—$500,000 to the George Mason University in Virginia to develop and enhance the National Center for Technology and the Law;

—$500,000 to the City of Covington, Washington to replace substandard water lines in the Covington Water District/Timberline Estate Development;

—$50,000 to the City of Enumclaw, Washington for the development of a Welcome Center Facility;

—$1,000,000 to the National Children's Advocacy Center in Huntsville, Alabama for the establishment of a research and training facility;

—$200,000 to Alabama A&M University in Normal, Alabama for the renovation of historic buildings on the university's campus;

—$150,000 to the Children's Museum of the Shoals in Florence, Alabama for the establishment of a hands-on discovery museum;

—$125,000 to the Princess Theater in Decatur, Alabama for the renovation and operation of the current facility;

—$25,000 to the Limestone County Veteran's Museum and Archives in Limestone County, Alabama for establishment of a veteran's museum in the City of Athens, Alabama;

—$250,000 to the Arizona Science Center in Yuma, Arizona for its after-school program for inner-city youth;

—$150,000 to the City of Yuma, Arizona for its downtown rejuvenation project involving the Historic Yuma Theatre;

—$100,000 to the City of Phoenix, Arizona for the Westwood Neighborhood Redevelopment Project;

—$250,000 to the Central American Resource Center (CARECEN) in Los Angeles, California for the rehabilitation of the Youth and Family Technology and Education Floor at its community center;

—$400,000 to the County of Merced, California for planning for UC-Merced and University Village;

—$400,000 to the City of Culver City, California for construction of the Culver City Senior Center;

—$400,000 to the Los Angeles Neighborhood Initiative (LANI) for the South Robertson Neighborhood project;

—$150,000 to the Carmel Highlands Fire Protection District, California for the construction of a new fire station;

—$150,000 to the City of Hollister, California for the construction of a new fire station;

—$200,000 to the City of Alhambra, California for the Fire Station Training Center Project;

—$100,000 to the City of Norwalk, California for construction of a new senior citizen center;

—$200,000 to the City of Maywood, California for the design and construction of a community center for at-risk youth and seniors;

—$10,000 to the City of Los Angeles Cultural Affairs Department in Los Angeles, California for the Chinatown Gateway Project to build an archway in Chinatown;

—$80,000 to the City of Los Angeles, California for the redevelopment of the Sears and Prison Industrial sites in the downtown area;

—$100,000 to The East Los Angeles Community Union (TELACU) in Los Angeles, California for the renovation of a sixty-acre industrial park;

—$10,000 to the Los Angeles County Community Development Commission in Los Angeles, California for a telemedicine program in the east Los Angeles area;

—$300,000 to the City of San Leandro, California for the Gateway to the East Bay Initiative;

—$100,000 to the Pacific Union College in Angwin, California for the Napa Valley Resource Center job training program;

—$400,000 to the Sacramento Housing and Redevelopment Agency in Sacramento, California for the rehabilitation of the Franklin Villa housing development;

—$500,000 to the City of New Haven, Connecticut for the restoration and rehabilitation of the West River Memorial Park;

—$200,000 to the Mystic Seaport in Mystic, Connecticut for the design and construction of the American Maritime Education and Research Center;

—$300,000 to Building Bridges Across the River in Washington, District of Columbia for the continued development and construction of a recreation and performing arts center in Ward 8;

—$400,000 to the City of Monticello, Florida for the refurbishment of the Jefferson County High School building as a community center;

—$1,700,000 to the City of Miami, Florida for the development of a Homeownership Zone to assist residents displaced by the demolition of public housing in the Model City area;

—$300,000 to the City of Gainesville, Florida for the planning, design and implementation of the Depot Avenue Project;

—$400,000 to the City of Atlanta, Georgia for the design and construction of a community center adjacent to the Martin Luther King, Jr. Historic District;

—$350,000 to the City of East St. Louis, Illinois for the renovation of the former Cannady School into a Vocational Charter School;

—$1,000,000 to the Rush-Presbyterian St. Luke's Medical Center in Chicago, Illinois for the design, construction and operation of a research center for the elderly;

—$250,000 to Black Hawk College in East Moline, Illinois for the design and construction of a business and continuing education conference center;

—$200,000 to the City of Harvey, Illinois to establish a pilot program for neighborhood stabilization, including demolition of vacant homes, land-banking of vacant properties and renovation of occupied homes;

—$200,000 to the Illinois International Port District in Chicago, Illinois for dockwall repairs at Port of Chicago and Lake Calumet;

—$300,000 to the City of Chicago, Illinois for the South Chicago Housing Initiative at the former USX South Works site;

—$200,000 to the Village of Chicago Ridge, Illinois for the construction of a municipal law enforcement complex;

—$200,000 to the Township of Stickney, Illinois for the renovation of the Stickney Township North Clinic;

—$400,000 to Wyatt Community Life Center in Chicago, Illinois for health, education and job training needs of underserved populations;

—$200,000 to the City of Elkhart, Indiana for the continuation of the Building the American Dream initiative;

—$500,000 to the Town of Griffith, Indiana for stormwater and sewer separation;

—$100,000 to Northern Kentucky University in Highland Heights, Kentucky for the purchase of computers, books and supplies at the Urban Learning Center;

—$500,000 to the City of Boston, Massachusetts for redevelopment in the historic Tremont Street midtown area;

—$400,000 to the Springfield Library and Museum Association in Springfield, Massachusetts for construction and infrastructure improvement needs related to a national memorial and park honoring Theodor Geisel;

—$250,000 to the Greater Holyoke YMCA in Holyoke, Massachusetts for the continuation of the Expanding Horizons Downtown for Children and Families capital campaign;

—$250,000 to Hampshire College in Amherst, Massachusetts for construction of the National Center for Science Education;

—$500,000 to the University of Maryland in College Park, Maryland for the renovation of the James McGregor Burn Academy of Leadership;

—$100,000 to the Bowie-Crofton Business and Professional Women's (BPW) Choices and Challenges Program in Bowie, Maryland for the purchase of computers, educational software and other educational materials;

—$600,000 to Macomb Township, Michigan for site preparation, site development and equipment purchase related to Waldenburg Park;

—$600,000 to the City of St. Clair Shores, Michigan for enhancement of the Jefferson Avenue corridor;

—$400,000 to the City of Pontiac, Michigan for the renovation and rehabilitation of the Strand Theatre;

—$275,000 to Fairview Health Services in Elk River, Minnesota for the expansion of the Elk River primary care clinic;

—$600,000 to the Minneapolis Urban League City of Minneapolis, Minnesota for planning and construction of a multi-purpose business development center in north Minneapolis;

—$100,000 to Better Family Life in St. Louis, Missouri for construction of a new facility;

—$50,000 to the Black World History Wax Museum in St. Louis, Missouri for structural renovations and accessibility improvements;

—$100,000 to the Black Repertory Company in St. Louis, Missouri for renovation of a facility;

—$250,000 for People's Health Centers in St. Louis, Missouri for the construction of an elderly day care and physical fitness center;

—$1,000,000 to the St. Louis City Department of Parks, Recreation and Forestry in St. Louis, Missouri for the ongoing restoration of Forest Park;

—$500,000 to the St. Louis City Department of Parks, Recreation and Forestry in St. Louis, Missouri for modernization of facilities and restorations at Carondelet Park;

—$200,000 to the Union Station Assistance Corporation in Kansas City, Missouri for construction of the passenger rail services facility;

—$200,000 to the City of Jackson, Mississippi for the capitalization of a home mortgage program for first-time home buyers;

—$200,000 to the City of Jackson, Mississippi for the capitalization of a home improvement loan program;

—$400,000 to Greene County Health Care in Snow Hill, North Carolina for facility enhancements;

—$250,000 to the Town of Navassa, North Carolina for the construction of a community center;

—$600,000 to the City of Durham, North Carolina for the Durham Regional Finance Center to acquire and renovate office space;

—$250,000 to the Town of Chapel Hill, North Carolina for the activities of the Community Land Trust in Orange County;

—$250,000 to the Community Reinvestment Association of North Carolina in Raleigh, North Carolina for economic literacy activities;

—$200,000 to the Eagle Village Community Development Corporation in Durham, North Carolina for community development activities;

—$200,000 for the Park Performing Arts Center in Union City, New Jersey for facilities renovation;

—$300,000 to the City of Newark, New Jersey for the restoration and beautification of area urban parks;

—$1,000,000 to Little Flowers Children's Services in Wading River, New York for construction of residential colleges and for educational and therapeutic services to children who have been separated from their parents;

—$400,000 to the City of Kingston, New York for the rehabilitation and renovation of its City Hall;

—$950,000 for the Town of Tonawanda, New York, for construction of low-income and mixed income housing, giving priority to the Blind Association of Western New York for construction of low-income and mixed income housing for physically disabled persons;

—$500,000 to the City of New Rochelle, New York for streetscape improvements to North Avenue;

—$200,000 to the New York Foundation for Senior Citizens for construction of an 89 unit senior citizens apartment complex in New York County, New York;

—$400,000 to the Bronx Museum of the Arts in New York, New York for infrastructure improvements, construction, renovation, operation and facility upgrades;

—$150,000 to the Mount Hope Housing Company in New York, New York for renovation of a multi-use community center;

—$150,000 to the New York City Department of Parks and Recreation in New York, New York for phase three of the rebuilding and restoration of Joyce Kilmer Park in South Bronx, New York;

—$170,000 to the David Hochstein Memorial Music School in New York for renovations and equipment related to a historic church sanctuary to serve as a performance hall;

—$80,000 to the Rochester Association of Performing Arts, School of Performing Arts in New York for restoration and renovation of the School;

—$200,000 to the City of Dayton, Ohio for land acquisition for the Tool Town precision metalworking park;

—$1,400,000 to the City of Toledo, Ohio for improvements to central city neighborhoods and rejuvenation near the downtown historic commercial district, in cooperation with area not-for-profit community development corporations;

—$700,000 to the Ohio Department of Development in Columbus, Ohio for the Safe Water Fund and rural development initiatives including cultural arts centers in Lucas, Fulton, Wood and Ottawa Counties, Ohio;

—$200,000 to the City of Detroit, Oregon for sewer system design engineering in cooperation with the City of Idanha, Oregon;

—$200,000 to the Regional Industrial Development Corporation of Southwestern Pennsylvania's Growth Fund in Pittsburgh, Pennsylvania for asbestos abatement and removal of blast furnace stocks located on the Duquesne and McKeesport brownfield sites in Allegheny County, Pennsylvania;

—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building on the grounds of the firefighters facility in Morea, Pennsylvania;

—$300,000 to the City of Nanticoke, Pennsylvania for economic development initiatives;

—$500,000 to Camp Kon-O-Kwee/Spencer YMCA camp in Beaver County, Pennsylvania for construction of a wastewater treatment facility;

—$350,000 to Rostraver Township, Westmoreland County, Pennsylvania for wastewater infrastructure upgrades and extension of sanitary sewer lines into previously unserved areas;

—$540,000 to the Cambria County Commissioners in Cambria County, Pennsylvania for the design and construction of a recreation facility in northern Cambria County;

—$260,000 to the Fort Ligonier Association in Westmoreland County, Pennsylvania for restoration of Fort Ligonier;

—$500,000 to the Indiana County Commissioners in Indiana, Pennsylvania for rehabilitation of the downtown area;

—$300,000 to Mount Aloysius College in Cresson, Pennsylvania for the restoration of a historic boiler house;

—$500,000 to Fallingwater in Mill Run, Pennsylvania for rehabilitation of concrete cantilevers;

—$500,000 to the Johnstown Area Heritage Association in Johnstown, Pennsylvania for facilities renovation and exhibition development;

—$250,000 to the University of Puerto Rico (UPR) for the renovation and restoration of the UPR Theater;

—$500,000 to the Berkeley-Charleston-Dorchester Council of Governments for planning and construction of the Parkers Ferry Community Center in Charleston County, South Carolina;

—$400,000 to Lee County, South Carolina for the renovation of the old Ashwood School into a community center;

—$100,000 to the Town of Santee, South Carolina for construction of the Santee Cultural Arts and Visitor's Center;

—$250,000 to the Memphis Zoo in Memphis, Tennessee for the Northwest Passage Campaign;

—$400,000 to the City of Waco, Texas for unmet housing needs;

—$400,000 to the Natural Gas Vehicle Coalition in Arlington, Virginia for expansion of the Airport-Alternative Fuel Vehicle Demonstration Project to Dallas-Fort Worth Airport and other locations nationally;

—$150,000 to the Acres Home Citizen's Chamber of Commerce in Houston, Texas for services provided through the Acres Home Consortium;

—$50,000 to the South Dallas Fairpark Inner City Community Development Corporation in Dallas, Texas for community housing development programs;

—$50,000 to the Southfair Community Development Corporation in Dallas, Texas for community housing development programs;

—$100,000 to the West Dallas Neighborhood Development Corporation in Dallas, Texas for community housing development programs;

—$250,000 to Arlington-Alexandria Coalition for the Homeless (AACH) in Arlington, Virginia for the purchase of the property that houses its Community Resource Center;

—$250,000 to the Borromeo Housing Foundation in Arlington, Virginia to establish a permanent Second Chance Home for unwed mothers;

—$200,000 to the Campagna Center in Alexandria, Virginia to support the This Way House program;

—$250,000 to the City of Virginia Beach, Virginia for the Virginia Marine Science Museum's Phase III expansion plan;

—$300,000 to the Admiral Theater Foundation in Bremerton, Washington for continuing renovations and improvements at the Admiral Theatre;

—$100,000 to the City of Tacoma, Washington for supplementation of the Tacoma Housing Trust Fund;

—$400,000 to the City of Madison, Wisconsin for affordable housing initiatives;

—$900,000 to the West Virginia School of Osteopathic Medicine Foundation in Lewisburg, West Virginia for the construction of a multi-use museum and cultural education center;

—$900,000 to the Southern West Virginia Community and Technical College in Williamson, West Virginia for the construction, equipping and furnishing of a library;

—$250,000 to the Berkeley County, West Virginia Commission for the Historic Baltimore and Ohio Roundhouse Renovation Project;

—$225,000 to the Gilmer County, West Virginia Commission for a museum and cultural education center;

—$500,000 to the Gilmer County, West Virginia Commission for the planning and construction of a senior center;

—$225,000 to the Calhoun County, West Virginia Commission for a museum and cultural education center;

—$700,000 to the Kanawha County, West Virginia Commission for the activities of the Upper Kanawha Valley Enterprise Community;

—$2,000,000 to the Vandalia Heritage Foundation for promotion of community and economic development;

—$1,150,000 to the City of Fairmont, West Virginia to be distributed as follows: $1,000,000 to the Fairmont Community Development Partnership, and $150,000 to the Women's Club of Fairmont;

—$300,000 to the Marion County Camp Board Association in Marion County, West Virginia for facilities enhancement at Camp Mar-Mac;

—$1,000,000 to the City of Shinnston, West Virginia for design and construction of city park facilities;

—$500,000 to the Mid-Atlantic Aerospace Complex in Bridgeport, West Virginia for economic development efforts;

—$300,000 to the Institute for Software Research in Fairmont, West Virginia for capital equipment, operational expenses and program development;

—$100,000 to the St. Louis County Port Authority for the remediation of the National Lead Site;

—$500,000 for the City of Union for infrastructure improvements to the Union Corporate Center, Missouri;

—$1,000,000 for City of Knoxville, Tennessee for economic development training for low-income people;

—$700,000 for the Minnesota Housing Finance Agency for the preservation of federally assisted low-income housing at risk of being lost as affordable housing;

—$1,700,000 for the Sheldon Jackson College Auditorium in Sitka, Alaska for refurbishing;

—$250,000 for Northern Initiatives in the Upper Peninsula of Michigan for the capitalization of a training endowment fund;

—$1,500,000 for Focus HOPE for the expansion of its Machinist Training Institute in Detroit, Michigan;

—$1,000,000 for the construction of a fire station project in Logan, Utah;

—$900,000 for Ogden, Utah for downtown redevelopment;

—$750,000 for Billings, Montana for the redevelopment of the Billings Depot;

—$900,000 for Libby, Montana for the construction of a community center;

—$1,000,000 for Mississippi State University for the renovation of buildings;

—$1,200,000 for the City of Madison, Mississippi to renovate a gateway to historic downtown Madison;

—$900,000 for Providence, Rhode Island for the renovation of the Providence performing Arts Center;

—$1,000,000 for the Bidwell Industrial Development Corporation the Harbor Gardens development project;

—$500,000 for Philadelphia, Pennsylvania for the expansion of the Pennsylvania Convention Center;

—$1,000,000 for the City of Jackson, Mississippi to create a housing rehabilitation program;

—$650,000 for Monessen, Pennsylvania for the development of a business development and support facility;

—$800,000 for the City of Wilkes-Barre for downtown revitalization;

—$500,000 for the Friends of the Capitol Theater for the renovation of the Capitol Theater in Dover, Delaware;

—$2,000,000 for the Idaho Bureau of Disaster Services for the restoration of Milo Creek;

—$500,000 for the Clearwater Economic Development Association for planning for the Lewis and Clark Bicentennial celebration;

—$1,000,000 for the Developmental Disabilities Resource Center to provide services to persons with disabilities in the Front Range area of Colorado;

—$600,000 for the City of Montrose, Colorado to develop affordable, low-income housing;

—$1,400,000 for the Columbia/Adair County Industrial Development Authority in Kentucky for infrastructure development for the Columbia/Adair County Industrial Park Development;

—$800,000 for the University of Findlay in Ohio to expand its National Center for Excellence in Environmental Management facility;

—$500,000 for MSU-Billings in Billings, Montana for the development of a business development and support facility;

—$500,000 for the City of Brookhaven, Mississippi to renovate historic Whitworth College buildings and related improvements;

—$1,500,000 for the Bethel Pre-Maternal Home in Bethel, Alaska for expansion;

—$3,500,000 for the University of Alaska Fairbanks Museum in Fairbanks, Alaska;

—$1,200,000 for Forum Health of Youngstown, Ohio for a hospital conversion project;

—$2,200,000 for the Pacific Science Center for the construction of the Mercer Slough Environmental Education Center;

—$1,000,000 for the Tacoma Art Museum in Tacoma, Washington for expansion;

—$300,000 for the Portsmouth, New Hampshire City Housing Authority for the development of a multiple use recreation and learning center;

—$300,000 for the City of Concord for community and neighborhood improvements;

—$100,000 for the City of Nashua, New Hampshire for a river front project;

—$75,000 for the Manchester Neighborhood Housing Services in Manchester, New Hampshire;

—$200,000 for Vergennes, Vermont for the renovation and expansion of the Vergennes Opera House;

—$1,000,000 for the renovation and expansion of the Flynn Theatre in Burlington, Vermont;

—$75,000 for the French Hill Neighborhood Housing Services in Nashua, New Hampshire;

—$75,000 for the Concord Area Trust for Community Housing in Concord, New Hampshire;

—$375,000 for the Town of Winchester, New Hampshire to tear down an old leather tannery;

—$2,500,000 for the Kansas City Liberty Memorial renovation and restoration;

—$1,500,000 for the American National Fish and Wildlife Museum in Springfield, Missouri for construction;

—$100,000 for the City of Claremont, New Hampshire to upgrade and repair their public parks service;

—$75,000 for the Laconia Area Community Land Trust in Laconia, New Hampshire;

—$200,000 for the Town of Barre, Vermont for the construction of a business incubator building in the Wilson Industrial Park;

—$400,000 for Housing Vermont to construct affordable housing in Bellows Falls, Vermont;

—$200,000 for the Vermont Center for Independent Living for its Home Access program;

—$100,000 for the Bennington Museum in Bennington, Vermont;

—$600,000 for the Vermont Rural Fire Protection Task Force for the purchase of equipment;

—$900,000 for the Home Repair Collaborative in Indianapolis, Indiana for the repair of low-income housing;

—$1,900,000 for the City of Montgomery, Alabama for the redevelopment of its riverfront area;

—$1,500,000 for the planning and construction of a regional learning center at Spring Hill College in Montgomery, Alabama;

—$1,500,000 for the Donald Danforth Plant Science Center for the development of a greenhouse complex;

—$500,000 for Calhoun Community College, Advance Manufacturing Center in Decatur, Alabama for the development of an advanced manufacturing center;

—$500,000 for the Clay County Courthouse rehabilitation project in Clay County, Alabama;

—$1,800,000 for the renovation of Bates Mill in Lewiston, Maine;

—$800,000 for Coastal Enterprises, Inc for rural economic development and housing initiatives in Kennebec and Somerset Counties;

—$1,300,000 for the City of Fort Worth, Texas for building renovation associated with the development of the Fort Worth Medtech Center;

—$1,000,000 for the Southwest Collaborative for Community Development for low-income housing and economic development in the southwest border area of Texas;

—$750,000 for Houston, Texas to establish a Distance Learning Center as part of a ''campus park'' redevelopment in the Stella Link community;

—$1,650,000 for Farmington, New Mexico for the renovation of Ricketts Field;

—$1,000,000 for New Mexico Highlands University for its Science and Engineering Complex;

—$800,000 for the National Institute for Community Empowerment for its capacity building efforts in underserved communities;

—$250,000 for the City of Santa Ana, California for the establishment of the IDEA center;

—$750,000 for the First AME Church in Los Angeles, California for the development of a business incubator;

—$750,000 for the City of Riverside, California for the development of Citrus Park;

—$500,000 for the City of Inglewood, California for the construction of a senior center;

—$750,000 for the City of San Francisco, California for the redevelopment of the Laguna Honda Assisted Living/Housing for Seniors;

—$250,000 for the Southside Institutions Neighborhood Alliance in Hartford, Connecticut for downtown renovation;

—$250,000 for the University of Connecticut for the construction of a biotechnology facility;

—$1,500,000 for Fairfield University for the Information Technology Center, Fairfield, Connecticut;

—$500,000 for the Mark Twain House Visitor's Center in Hartford, Connecticut;

—$500,000 for the Bushnell Theater, Hartford, Connecticut for renovation efforts;

—$700,000 for Bethune-Cookman College in Daytona Beach, Florida for the development of a community services student union;

—$500,000 for Spelman College in Atlanta, Georgia for renovation of the Spelman College Science Center;

—$1,150,000 for the City of Moultrie, Georgia for environmental mitigation and redevelopment of the Swift Building;

—$150,000 for the County of Maui, Hawaii to assist the Island of Molokai for capacity development related to its status as an Enterprise Community;

—$1,000,000 for Honolulu, Hawaii to implement the Kahuku Drainage Plan;

—$350,000 for the Maui Family Support Services, Inc. for the creation of an early childhood center in Maui County, Hawaii;

—$500,000 for Wailuku, Hawaii for revitalization efforts;

—$500,000 for the City of Waterloo, Iowa for the development of affordable, low-income housing;

—$500,000 for Des Moines, Iowa for south of downtown redevelopment;

—$500,000 for the Muscatine Center for Strategic Action in Wilton, Iowa for the operation of a nonprofit modular housing factory;

—$1,000,000 for Sioux City, Iowa for the redevelopment of the Sioux City Stockyards;

—$550,000 for Audubon Institute Living Sciences Museum for the restoration of a New Orleans, Louisiana, Customs House;

—$500,000 for Dillard University in New Orleans, Louisiana for assisting persons in the transition from welfare to work;

—$250,000 for the National Center for the Revitalization of Central Cities, New Orleans, Louisiana for the development of redevelopment strategies;

—$1,500,000 for the University of Maryland-Eastern Shore in Princess Anne, Maryland for the development of a Coastal Ecology Teaching and Research Center;

—$1,500,000 for Prince Georges County, Maryland for the revitalization of the Route 1 corridor;

—$250,000 for the Hampden/Hampshire Housing Partnership Loan Fund in western Massachusetts for the development of affordable housing;

—$250,000 for the City of Lowell, Massachusetts for downtown redevelopment;

—$250,000 for the City of Lawrence, Massachusetts for the City of Lawrence Loan and Investment Program;

—$500,000 for the Boys & Girls Club of Boston in Chelsea, Massachusetts for construction of a clubhouse;

—$500,000 for Assumption College in Worcester, Massachusetts for construction of the Lieutenant Joseph P. Kennedy, Jr. Memorial Science and Technology Center;

—$250,000 for the City of Pontiac, Michigan for economic development activities;

—$500,000 for City of Flint, Michigan for economic development activities;

—$1,000,000 for the Minnesota Indian Primary Residential Treatment Center in Sawyer, Minnesota for the adolescent treatment center;

—$500,000 for the Research Development Enterprise in Missoula, Montana for the advancement of university research activities;

—$500,000 for the Panhandle Community Service in Scottsbluff, Nebraska for the construction of an early childhood development center;

—$1,750,000 for the University of Nevada in Reno, Nevada for the Structures Laboratory;

—$250,000 for Henderson, Nevada for downtown redevelopment;

—$600,000 for the Boys & Girls Club of Las Vegas, Nevada for the renovation and expansion of existing facilities;

—$250,000 for Willingboro, New Jersey for the revitalization of the Central Business Center;

—$500,000 for Plainfield, New Jersey for the redevelopment of the Teppers building;

—$200,000 for Trenton, New Jersey for the renovation of the YWCA's indoor swimming pool;

—$500,000 for Gloucester County, New Jersey for downtown revitalization;

—$1,000,000 for Children's House Hackensack University Medical Center in Hackensack, New Jersey for expansion;

—$250,000 for Belen, New Mexico for the development of a recreation center;

—$250,000 for Arroyo Seco Youth Center Hands Across Culture Corporation, New Mexico;

—$500,000 for the Esperanza Domestic Violence Shelter in northern New Mexico for homeless services;

—$500,000 for the Court Youth Center in Dona Ana County, New Mexico for renovation of their youth center;

—$750,000 for the New York Public Library's Library for the Performing Arts for renovations;

—$1,000,000 for Rural Economic Area Partnership Zones in North Dakota;

—$850,000 for Turtle Mountain Economic Development and Education Complex in North Dakota;

—$500,000 for the City of Providence, Rhode Island for the Nickerson Community Center for an assisted living facility for homeless veterans;

—$100,000 for the South Providence Development Corporation in Providence, Rhode Island for a child care facility;

—$2,000,000 for the Spartanburg School for the Deaf and the Blind in Spartanburg, South Carolina for a new dormitory;

—$500,000 for the University of South Carolina School of Public Health to consolidate its programs in a new central location;

—$1,000,000 for the University of South Dakota, in Vermillion, South Dakota for the expansion of Medical School research facilities;

—$100,000 for the City of Flandreau, South Dakota for infrastructure improvements and economic development activities;

—$100,000 for the City of Garretson, South Dakota for infrastructure improvements and economic development activities;

—$100,000 for the City of Hot Springs, South Dakota for redevelopment activities;

—$100,000 for the City of Sisseton, South Dakota to make infrastructure improvements at an industrial site in the community;

—$250,000 for the City of Aberdeen, South Dakota for a community child daycare center;

—$100,000 for the North Sioux City Economic Development Corporation in North Sioux, South Dakota for the construction of an industrial park;

—$650,000 for Burlington, Vermont for downtown redevelopment;

—$500,000 for the Kellog-Hubbard Library in Montpelier, Vermont for renovation and expansion;

—$350,000 for Brattleboro, Vermont for downtown redevelopment;

—$750,000 for Chittenden County, Vermont for the development of affordable low-income housing;

—$250,000 for Lake Champlain Science Center, Burlington, Vermont;

—$150,000 for the Southwest Virginia Governor's School for Science, Mathematics and Technology for improvements;

—$500,000 for the Accomack-Northampton Planning District Commission for economic development on the Eastern Shore of Virginia;

—$250,000 for an Achievable Dream in Newport News, Virginia to help at-risk youth;

—$500,000 for the Fremont Public Association in Seattle, Washington for construction costs related to its Community Resource Center;

—$500,000 for the Puget Sound Center for Teaching, Learning and Technology in Seattle, Washington;

—$200,000 for the University of Charleston in West Virginia for a basic skills and assessment lab;

—$600,000 for Shepherd College in Shepherdstown, West Virginia for the renovation of Scarborough Library;

—$4,000,000 for Wheeling Jesuit University in Wheeling, West Virginia for the construction of a science/computer teaching center;

—$500,000 for the Town of Kimball, West Virginia for the restoration of the Kimball War Memorial;

—$300,000 for Bethany College, in Bethany, West Virginia for the creation of a health and wellness center;

—$200,000 for West Virginia State College to assist in creating a computer library;

—$2,000,000 for the Center for the Arts & Sciences of West Virginia for the construction of a theater/planetarium;

—$500,000 for the City of Milwaukee, Wisconsin for its Metcalfe Neighborhood Redevelopment Initiative;

—$250,000 for the City of Beloit, Wisconsin for urban renewal activities;

—$500,000 for the City of Milwaukee, Wisconsin for redevelopment activities in the Menomonee River Valley. Milwaukee, Wisconsin may transfer up to $200,000 of these funds to its Metcalfe Neighborhood Redevelopment Initiative;

—$4,000,000 for the City of Hot Springs, Arkansas for the construction and hillside stabilization of the Downtown Hot Springs National Park parking facility;

—$1,000,000 for Lewis and Clark College in Portland, Oregon for construction and program activities at Bicentennial Hall;

—$250,000 for the Reedsport, Oregon for the expansion of exhibits and educational programs at Umpqua Discovery Center;

—$1,000,000 for the Redevelopment Agency of Salt Lake City, Utah for the redevelopment of the Gateway District;

—$500,000 for the Boys and Girls Club for the development of a Boys and Girls Club facility in Brownsville, Texas to serve at-risk youth;

—$500,000 for the City of Beaumont, Texas to renovate the L. L. Melton YMCA to provide services to low-income families;

—$1,000,000 for the Discovery Place Museum in Charlotte, North Carolina for modernization and program costs;

—$500,000 for the American Cave and Karst Center in Horse Cave, Kentucky;

—$900,000 for the Madison County Economic Development Authority for the development of the Central Mississippi Industrial Center in Madison, Mississippi;

—$500,000 for the Borden Development Alliance to develop strategies and promote economic development in the United States-Mexico border region;

—$1,000,000 for the Center for Science and Technology in Idaho Falls, Idaho for start-up costs to develop technology transfer and business development within Idaho;

—$250,000 for the Thomas Jefferson Agricultural Institute in Missouri to develop programs supporting farmers and rural communities through diversification and value-added economic development;

—$250,000 for the Hundley-Whaley telecommunications resource center in Albany, Missouri;

—$350,000 for infrastructure and development activities associated with new housing in Moscow Mills, Missouri;

—$300,000 for Kirksville, Missouri downtown redevelopment activities;

—$350,000 to Maysville, Missouri for drinking water infrastructure improvements;

—$250,000 to Moberly, Missouri for streetscape and curb improvements;

—$500,000 to the Northeast Community Action Corporation of Missouri for low-income rural housing;

—$250,000 to the Missouri Agriculture and Small Business Development Authority to complete market development activities that relate to beef and pork cooperative processing capacity such as in Macon, Missouri;

—$500,000 for Anchorage, Alaska United Way for rehabilitation of a community services building;

—$500,000 for the Sitka Pioneer Home in Sitka, Alaska for rehabilitation;

—$100,000 to the University of Maryland—Baltimore County for an environmental center;

—$600,000 to East Northport in Long Island, New York for construction of a sewage treatment facility;

The conference report includes $55,000,000 for the Resident Opportunity and Supportive Services (ROSS) program, as proposed by both the House and the Senate, but deletes the specific $10,000,000 amount allocated by both the House and Senate within this item for grants for service coordinators and congregate housing services for the elderly and disabled. Rather, the conferees direct the Department to use sufficient funds within the ROSS program to renew all expiring service coordinator and congregate services grants (except those for which renewal is not considered appropriate due to poor performance, lack of continuing need, or similar circumstances), other than those for which renewal funding is made available elsewhere in this conference report. The conferees understand that the amount needed for these renewals exceeds the $10,000,000 allocated by the House and Senate, but have not inserted a new dollar amount because of uncertainties regarding the precise cost. The conference report also includes language proposed by the Senate restricting HUD from adding certain conditions to grants for service coordinators and congregate services.

Deletes report language proposed by the Senate and not included by the House directing HUD to report on all projects funded under EDI grants awarded independently by HUD.

Deletes report language proposed by the Senate and not included by the House directing HUD to conduct a close-out review of each EDI grant within five years of funding.

Adds language proposed by the House authorizing YouthBuild to engage in capacity building activities.

The conferees continue to expect Youthbuild programs to leverage private capital. This requirement emphasizes the value of local commitments as a state in these programs as well as additional resources available to assist in expansion.

Inserts language proposed by the Senate and not included by the House to permanently transfer the New York Small Cities program to the State of New York. If, however, the program is not operating smoothly and effectively after one year, HUD may submit legislation to transfer the program back to the Department. The conferees will be following the results of this transfer and its implementation at the state level.

The conferees note that the Governor of New York has stated that ''. . . New York has taken the necessary steps as set out by law and precedent to begin the transfer of this program from HUD to the State. In addition, the State has proposed an appropriate structure to administer the program and we have implemented an extensive consultation and public outreach process through which numerous citizens, local government and organizations participated in development of the comprehensive plan for our administration of the program.''

The conferees direct that this transfer shall not affect any awards made by HUD prior to the enactment of these provisions, including multi-year awards, provided the awardee remains in compliance with all contract terms and applicable regulations. HUD is directed to continue to administer those awards that are under contract but have not yet been closed out. Furthermore, the conferees delete bill language conditioning award of other Small Cities funds on this transfer and clarify that only the Small Cities program for New York State is transferred.

BROWNFIELDS REDEVELOPMENT

Appropriates $25,000,000 for brownfields redevelopment, as proposed by the Senate instead of $20,000,000 as proposed by the House.

HOME INVESTMENT PARTNERSHIPS PROGRAM

Appropriates $1,600,000,000 for the HOME program, as proposed by the Senate instead of $1,580,000,000 as proposed by the House.

Includes $15,000,000 for housing counseling, instead of $7,500,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Includes $5,000,000 for information systems as proposed by the House instead of no funding as proposed by the Senate.

Includes an earmark of $2,000,000 for the National Housing Development Corporation, to demonstrate innovative methods of preserving affordable housing. The funding is intended to be used for start-up costs, operating expenses, and working capital.

The conferees reiterate language included in the fiscal year 1999 conference report directing HUD to develop a process for measuring the performance of housing counseling agencies, and urge HUD to incorporate performance measurement requirements into

future Notices of Funding Availability for the housing counseling program. Unless HUD provides solid information concerning the uses of these funds and the performance of grantees, the conferees will reluctantly consider making further reductions in the housing counseling program in future years.

HOMELESS ASSISTANCE GRANTS

Appropriates $1,020,000,000 for homeless assistance grants as proposed by the Senate instead of $970,000,000 as proposed by the House.

Inserts language requiring at least 30% of the appropriation be directed to permanent housing, as proposed by the Senate. The House did not include this item.

Inserts language requiring a 25% match by grantees for funding for services, as proposed by the Senate. The House did not include this item.

Inserts language proposed by the Senate directing HUD to review any previously obligated amounts of assistance, and to deobligate the funds if the contracts are unlikely to be performed. The House did not include this item.

The conferees agree with report language proposed by the Senate and not included by the House directing HUD to ensure that State and local jurisdictions pass on at least 50% of all administrative funds to the nonprofit organizations administering the homeless assistance programs.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

Appropriates $911,000,000 for housing for special populations as proposed by the Senate instead of $854,000,000 as proposed by the House.

Includes $710,000,000 for section 202 housing for the elderly as proposed by the Senate instead of $660,000,000 as proposed by the House.

Includes $201,000,000 for section 811 housing for the disabled as proposed by the Senate instead of $194,000,000 as proposed by the House.

Inserts language proposed by the Senate and not included by the House that, of the funds appropriated for the section 202 program, $50,000,000 shall be for service coordinators and existing congregate services grants, and $50,000,000 shall be for the costs of converting existing section 202 projects to assisted living facilities. Grants for conversion of buildings to assisted living facilities are to be administered under provisions of title V of this Act. For fiscal year 2000, funds are not provided for any capital repairs but are limited to conversions only.

The conferees note that title V of this bill includes reforms to the elderly and disabled housing programs. These reforms will enable the programs to work more efficiently and effectively.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Limits commitments for guaranteed loans to $140,000,000,000 as proposed by the House instead of $120,000,000,000 as proposed by the Senate.

Limits obligations for direct loans to no more than $100,000,000 as proposed by the Senate instead of $50,000,000 as proposed by the House.

Appropriates $330,888,000 for administrative expenses as proposed by the Senate instead of $328,888,000 as proposed by the House.

Appropriates $160,000,000 for administrative contract expenses as proposed by the Senate. The House did not fund this item.

Inserts language making a technical correction as proposed by the House and stricken by the Senate.

Deletes language proposed by the Senate prohibiting HUD or the FHA from discriminating between public and private elementary and secondary school teachers. The House did not include a similar item. The conferees note, however, that HUD should make FHA mortgage insurance advantages available to any teacher regardless of school affiliation.

The conferees are aware that the Secretary of Housing and Urban Development, pursuant to the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Title VIII, P.L. 102–550), has announced the intention to publish for comment a proposed rule implementing new affordable housing goals for Freddie Mac and Fannie Mae. In light of the extraordinary increase in the proposed goal, the conferees expect the Secretary to consider the following:

First, the stretch affordable housing efforts required of each of Freddie Mac and Fannie Mae should be equal, so that both enterprises are similarly challenged in attaining the goals. This will require the Secretary to recognize the present composition of each enterprise's overall portfolio in order to ensure regulatory parity in the application of regulatory guidelines measuring goal compliance. Second, any new affordable housing goal regulations must recognize that attainment of materially higher goals will be largely dependent on the continuation of the current economic conditions that are very favorable for housing affordability. Deterioration in these conditions likely would render stretch goals infeasible within the intent of the 1992 legislation.

The fiscal year 1999 Appropriations Act contained a provision that imposed treble damages on FHA lenders who fail to provide loss mitigation actions. The conferees are concerned with how this provision will be implemented and encourage HUD to promulgate very specific regulations to clearly define actions that are considered loss mitigation. Furthermore, the conferees urge HUD to withhold imposing severe penalties under this provision until such times as regulations are in place and the authorizing committees have had time to review the impact these penalties will have on the FHA lending program.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $144,000,000 for administrative contract expenses as proposed by the Senate. The House did not include this item.

Deletes language proposed by the Senate prohibiting HUD or the FHA from discriminating between public and private elementary and secondary school teachers. The House did not include a similar item.

Inserts language proposed by the Senate making previously appropriated amounts available despite the expiration of the amounts.

Inserts language making a technical correction as proposed by the House and stricken by the Senate.

The conferees are aware of the efforts the Department has made to bridge the growing digital divide between information technology ''haves'' and ''have nots'' through its Neighborhood Networks initiative. This initiative leverages local businesses, community organizations, local residents and other partners to provide residential computing centers to HUD-assisted housing throughout the country which in turn provide computer and job training, senior and youth programs and a variety of other supportive services at almost no direct cost to the Department. The conferees direct the Department to submit a report no later than June 30, 2000 which details and evaluates: the goals and progress of the initiative; strategies to sustain resident involvement in the program and to overcome other potential obstacles, which the report should identify; future areas of opportunity for the program, including possible partnerships with non-profit organizations and other Federal agencies; and the effectiveness of the initiative relative to the mission and goals of the Department as specified in the strategic and annual operating plan.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $9,383,000 for administrative expenses as proposed by the House instead of $15,383,000 as proposed by the Senate.

Inserts language proposed by the House requiring expenses to be derived from receipts from GNMA guarantees of mortgage backed securities (MBS). The Senate did not include this item.

Inserts language making a technical correction to bill language as proposed by the House and stricken by the Senate.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

Appropriates $45,000,000 for research and technology, instead of $42,500,000 as proposed by the House and $35,000,000 as proposed by the Senate.

Includes $10,000,000 for the PATH program, instead of $7,500,000 as proposed by the House. The Senate did not include a similar item. Additionally, $500,000 is for the Elderly Housing Commission, which is authorized in title V of this Act.

The conferees expect the PATH program to include coordination on cold climate housing research with the Cold Climate Housing Research Center in Fairbanks, Alaska.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

Appropriates $44,000,000 for fair housing activities, instead of $40,000,000 as proposed by the Senate and $37,500,000 as proposed by the House.

Of the total amount provided in the conference agreement, $24,000,000 is for the Fair Housing Initiatives Program (including $6 million for continuation of the nationwide audit to determine the extent of discrimination in housing rental and sales) and $20,000,000 is for the Fair Housing Assistance Program.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $80,000,000 for lead hazard reduction, as proposed by the Senate instead of $70,000,000 as proposed by the House.

Of the amount, $10,000,000 is for the Healthy Homes Initiative as proposed by the Senate instead of $7,500,000 as proposed by the House.

Inserts language proposed by the House and stricken by the Senate providing $1,000,000 for CLEARCorps.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $477,000,000 for salaries and expenses instead of $456,843,000 as proposed by the House and $457,039,000 as proposed by the Senate.

Inserts language proposed by the Senate prohibiting HUD from employing more than 77 schedule C and 20 non-career SES employees.

The conferees are aware of a number of significant concerns with HUD's external Community Builders program. Most importantly,

the conferees believe that HUD must rebuild itself from within, from staff that are committed to HUD's long-term future and the federal investment in local communities and neighborhoods. Therefore, the conferees are terminating the external Community Builders program effective September 1, 2000 (rather than effective February 1, 2000, as proposed by the Senate). The conferees expect that, following the termination of the program, functions now being performed by external Community Builders will be carried out by career civil servants, and that FTEs now occupied by external Community Builders will be filled instead by regular civil service employees.

HUD also is prohibited from converting any external Community Builder to permanent staff (i.e., from changing employee status without following normal civil service competitive requirements). In addition, while the conferees do not object to external community builders applying for career civil service positions at HUD, they should not be provided any special preference or priority simply because of their status as current or former external Community Builders.

In addition, the conferees remain concerned about potential problems with conflicts of interest in the Community Builders program, and direct HUD to establish clear rules to avoid any appearance of self-interest. In particular, there should be a bright line test prohibiting any Community Builder from being involved in any HUD transaction in which that person has a fiduciary interest or has had an employer/employee relationship with the entities involved in the transaction.

Inserts several language changes that are technical.

Inserts language proposed by the House and not included by the Senate providing $2,000,000 for the Millennial Housing Commission established in the Administrative Provisions section of this title.

Inserts a modification of Senate language prohibiting HUD from employing more than 9,300 full-time equivalent employees. Unlike the Senate language, the conference agreement does not count on-site contract employees as part of the total that is subject to the limitation.

Inserts language proposed by the Senate and not included by the House prohibiting HUD from employing more than 14 employees in the Office of Public Affairs.

Deletes language proposed by the Senate and not included by the House prohibiting HUD from using more than $1,000,000 for travel.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

Appropriates $83,000,000 for the Office of Inspector General, instead of $72,343,000 as proposed by the House and $95,910,000 as proposed by the Senate.

Inserts language making a technical correction as proposed by the House and stricken by the Senate.

Deletes language proposed by the Senate and not included by the House providing $10,000,000 for the Office of Inspector General to contract for a series of independent financial audits of HUD's internal systems. Deletes language proposed by the Senate and not included by the House authorizing this amount to be available until September 30, 2001.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Provides $500 for the Office of Federal Housing Enterprise Oversight's (OFHEO) reception and representation expenses instead of $1,000 as proposed by the House. The Senate did not provide a similar item.

ADMINISTRATIVE PROVISIONS

Deletes language proposed by the House and stricken by the Senate making a technical correction regarding enhanced disposition authority. This provision is incorporated in title V.

Restores language proposed by the House and stricken by the Senate reprogramming previously awarded economic development initiatives.

Deletes language proposed by the Senate and not included by the House clarifying an owner's right to prepay the mortgage of eligible low-income housing developments.

Deletes language proposed by the Senate and not included by the House prohibiting operating subsidies or capital funds from being provided to certain State and city funded and locally developed public housing or assisted units.

Restores language proposed by the House and stricken by the Senate establishing the Millennial Housing Commission.

Restores language proposed by the House and stricken by the Senate rescinding $74,400,000 .

Restores language proposed by the House and stricken by the Senate providing $5,000,000 for the National Cities in Schools Community Development program.

Deletes language proposed by the House and stricken by the Senate authorizing HUD to provide enhanced section 8 vouchers for certain assisted housing projects. This authority is incorporated into provisions in title V.

Restores language proposed by the House and stricken by the Senate to provide $5,000,000 to the Jobs-Plus component of the Moving to Work program.

Restores language proposed by the House and stricken by the Senate repealing section 214 of Public Law 104–204, dealing with recaptured section 8 funds.

Inserts language proposed by the Senate and not included by the House amending the National Housing Act defining the term ''nonadministrative.''

Deletes language proposed by the Senate and not included by the House limiting compensation to employees of public housing authorities to no more than $125,000.

Inserts language proposed by the Senate and not included by the House making a technical correction to section 541 of the National Housing Act regarding payment of claims. This provision streamlines the debt restructuring process in MAHRA.

Deletes language proposed by the Senate and not included by the House limiting compensation for employees of YouthBuild to no more than $125,000.

Inserts language proposed by the Senate and not included by the House providing HUD with the authority to gain access to tenant income matching information.

Deletes language proposed by the Senate and not included by the House eliminating the Secretary's discretionary fund.

Deletes language proposed by the Senate and not included by the House to correct section 514 (h)(1) of MAHRA. This matter is covered in title V.

Deletes language proposed by the Senate and not included by the House requiring HUD to reimburse GAO for any failure to cooperate in investigations.

The conferees have agreed to drop the requirement that HUD reimburse GAO for the cost of time due to delays caused by HUD in providing access to HUD officials and staff and to information important to the House and Senate appropriations committees. The conferees are concerned, however, about reports that HUD has unreasonably delayed such access on numerous occasions in the past year. Therefore, the conferees direct GAO to maintain a log detailing GAO's efforts to meet with HUD officials and staff and in seeking to obtain information on HUD programs and activities. This log shall include a summary of all delays and HUD's reasons for the delays. The conferees expect HUD to provide reasonable access to HUD officials, staff and information and that all meetings should be accommodated within a week of any request, unless there is a delay that is both reasonable and unavoidable.

Inserts language proposed by the Senate and not included by the House exempting Alaska and Mississippi—for fiscal year 2000 only—from statutory requirements to have a resident of public housing on the Board of Directors.

Deletes language proposed by the Senate and not included by the House clarifying that HOME funds may be used to preserve housing assisted with section 8.

Inserts language proposed by the Senate and not included by the House transferring administration of the Small Cities component of the CDBG program for all funds allocated to the State of New York from HUD to the State of New York.

Inserts language proposed by the Senate and not included by the House exempting Peggy Burgin from having to comply with the age requirement at Clark's Landing in Groton, Vermont.

Inserts language proposed by the Senate and not included by the House requiring HUD to continue to make interest reductions payments to Darlinton Manor apartments.

Deletes language proposed by the Senate and not included by the House authorizing HUD to provide section 8 assistance to buildings with terminating section 8 contracts. This provision is incorporated in title V.

Inserts modified language proposed by the Senate and not included by the House requiring HUD to use risk-sharing if the refinancing is the best available in terms of savings to the FHA insurance funds and results in reduced risk of loss to the federal government.

Deletes language proposed by the Senate and not included by the House authorizing section 8 enhanced vouchers. This provision is included in title V.

Inserts language extending the deadline for certain EDI grants until September 30, 2000. Neither the House nor the Senate included this language.

Deletes language proposed by the Senate and not included by the House authorizing HUD to contract with State or local housing finance agencies for the purpose of determining market rents.

Inserts new language enabling tenants of cooperative housing projects to make use of revocable trusts. Neither the House nor the Senate included this language.

Inserts new language making a technical correction to a grant to the County of Hawaii. Neither the House nor the Senate included this provision.

Restores language proposed by the House and not included by the Senate providing authority to HUD to reuse certain section 8 funds.

Deletes language proposed by the Senate and not included by the House authorizing HUD to allow project owners to use interest reduction payments for renovations in certain assisted housing projects. A similar provision is included in title V.

Inserts new language making waivers to the section 108 program for certain projects.

Inserts new language requiring HUD to allocate directly to New Jersey a portion of HOPWA funds designated for the Philadelphia, PA–NJ Primary Metropolitan Statistical Area. Neither the House nor the Senate included a similar provision.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

Appropriates $28,467,000 for salaries and expenses as proposed by the House instead of $26,467,000 as proposed by the Senate. The conferees commend the ABMC for the progress made in reducing the backlogged maintenance needs throughout the ABMC system, and have provided funds in excess of the budget request to continue this important project.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

Appropriates $8,000,000 for salaries and expenses instead of $7,000,000 as proposed by the House and $6,500,000 as proposed by the Senate. Bill language has been included for fiscal year 2000 which limits the number of career Senior Executive Service positions to three.

The conferees share the concern expressed in the Senate Report that the Board may not be making the most effective use of its financial resources. In particular, the conferees agree that the Board must spend the preponderance of its resources, including contract resources, on investigations and safety instead of on external affairs or information technology.

The Board is further directed to complete, by December 31, 1999, an updated business plan, as well as formal written procedures for awarding and managing contracts and formal written procedures for selecting and performing investigations. In addition, the Board is directed to expend no funds to develop software for vulnerability assessments, and may not fill any vacant positions in the areas of external affairs or information technology.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

Appropriates $95,000,000 for the Community Development Financial Institutions Fund, instead of $70,000,000 as proposed by the House, and $80,000,000 as proposed by the Senate.

Deletes language proposed by the House allowing the CDFI Fund to use part of its appropriation to establish and carry out a microenterprise technical assistance and capacity building grant program.

The conferees encourage the CDFI Fund to maintain a blend of emerging and mature CDFIs, as well as CDFIs of varying asset sizes, by creating a ''Small and Emerging CDFI Access Program'' (SECAP) as part of its core CDFI Program. SECAP would fill a gap between the Core Component of the CDFI Program and the Technical Assistance Program.

The conferees recommend that the CDFI Fund's ''Small and Emerging CDFI Access Program'' require a streamlined business plan; employ flexible matching requirements; include access to training and technical assistance, as in the Core Component; and place a $100,000 cap per application on capital assistance, including both capital awards and awards for technical assistance.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

Appropriates $49,000,000 for the Consumer Product Safety Commission, salaries and expenses, instead of $47,000,000 as proposed by the House and $49,500,000 as proposed by the Senate.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES

Appropriates $434,500,000 for national and community service programs operating expenses, instead of $423,500,000 as proposed by the Senate. The House proposed termination of the Corporation for National and Community Service using funds appropriated in fiscal year 1999 for close-out expenses.

Limits funds for administrative expenses to not more than $28,500,000, instead of $27,000,000 as proposed by the Senate. The conferees direct that additional funds are to be used for improvements to the Corporation's financial management system and not for general salaries and expenses. The conferees direct that the Corporation report, on a monthly basis, the status of efforts to improve its financial management.

Limits funds as proposed by the Senate to not more than: $28,500,000 for quality and innovation activities; $2,500 for official reception and representation expenses; $70,000,000 for education awards, of which not to exceed $5,000,000 shall be available for national service scholarships for high school students performing community service; $234,000,000 for AmeriCorps grants, of which $45,000,000 may be for national direct programs; $7,500,000 for the Points of Light Foundation; $18,000,000 for the Civilian Community Corps; $43,000,000 for school-based and community-based service-learning programs; and $5,000,000 for audits and other evaluations.

Inserts language proposed by the Senate which prohibits using any funds for national service programs run by Federal agencies; provides that, to the maximum extent feasible, funds for the AmeriCorps program will be provided consistent with the recommendation of peer review panels; and provides that, to the maximum extent practicable, the level of matching funds shall be increased, education only awards shall be expanded, and the cost per participant shall be reduced.

Rescinds $80,000,000 from the National Service Trust as proposed by the Senate. The conferees have taken this action because the balances in the Trust appear at this time to be in excess of requirements based upon usage rates. The conferees direct the Corporation to report in its fiscal year 2001 budget request and operating plan the status of its Trust fund reserve including the award usage rate and number of participants in the program.

The conferees agree to the Senate proposal to earmark $5,000,000 for the Girl Scouts of the United States for the ''P.A.V.E. the Way'' project and direct the Corporation to use the increase in the national direct program cap to fund this project. The conferees further agree that a unique set of circumstances exist in Shelby County, Alabama which indicates that the RSVP Program is to be allowed to operate separately from the existing multi-county consortium.

The House proposed that the Corporation be terminated and did not include any of the foregoing limitations or provisions proposed by the Senate.

OFFICE OF INSPECTOR GENERAL

Appropriates $4,000,000 for the Office of Inspector General, instead of $5,000,000 as proposed by the Senate and $3,000,000 as proposed by the House.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

Appropriates $645,000,000 for science and technology as proposed by the House instead of $642,483,000 as proposed by the Senate.

The conferees have agreed to the following increases to the budget request:

1. $1,250,000 for continuation of the California Regional PM 10 and 2.5 air quality study.
2. $2,500,000 for EPSCoR.
3. $700,000 for continuation of the study of livestock and agricultural pollution abatement at Tarleton State University.
4. $3,000,000 for the Water Environment Research Foundation.
5. $750,000 for continued research on urban waste management at the University of New Orleans.
6. $750,000 for continued perchlorate research through the East Valley Water District.
7. $1,500,000 for the Mickey Leland National Urban Air Toxics Research Center.
8. $4,000,000 for the American Water Works Association Research Foundation, including $1,000,000 for continued research on arsenic.
9. $1,500,000 for the National Decentralized Water Resource Capacity Development Project, in coordination with EPA, for continued training and research and development.
10. $750,000 for the Integrated Petroleum Environmental Consortium project.
11. $1,000,000 for the National Center for Atlantic and Caribbean Reef Research.
12. $800,000 for the University of New Hampshire's Bedrock Bioremediation Center research project.
13. $1,800,000 for the Lovelace National Environmental Respiratory Center.
14. $400,000 for the development, design, and implementation of a research effort on tributyltin-based ship bottom paints at Old Dominion University.
15. $750,000 for research of advanced vehicle design, advanced transportation systems, vehicle emissions, and atmospheric pollution at the University of Riverside CE-CERT facility.
16. $1,500,000 for the Environmental Technology Commercialization Center (ETC2) in Cleveland, Ohio.
17. $750,000 for continued research of the Salton Sea at the University of Redlands.
18. $750,000 for the final phase of research conducted through the Institute for Environmental and Industrial Science in San Marcos, Texas.
19. $1,000,000 for the Center for Estuarine Research at the University of South Alabama for research on the environmental impact of human activities on water quality and habitat loss in an estuarine environment.
20. $550,000 to develop and maintain an information repository of water related materials for research and conflict resolution at the Water Resources Institute at California State University, San Bernardino.
21. $300,000 for environmental remanufacturing research at the Rochester Institute of Technology.
22. $1,500,000 for the Fresh Water Institute to extend and expand acid deposition research.
23. $2,000,000 for assessing and mitigating the impact of exposure to multiple indoor contaminants on human health through the Metropolitan Development Association of Syracuse and Central New York.
24. $2,000,000 for the Canaan Valley Institute to establish a regional environmental data center and coordinated information system in the Mid-Atlantic Highlands, in coordination with the Federal Geographic Data Committee and the National Spatial Data Infrastructure.
25. $2,000,000 for the Center for the Engineered Conservation of Energy in Alfred, New York to conduct environmental performance and resource conservation research.
26. $750,000 for the National Center for Animal Waste Technologies at Purdue University.

27. $1,000,000 for analysis and research of the environmental and public health impacts associated with pollution sources, including waste transfer stations, in the South Bronx, New York, to be conducted by New York University.

28. $1,000,000 for research associated with the restoration and enhancement of Manchac Swamp conducted by Southeastern Louisiana University at the Turtle Cove Research Station.

29. $2,000,000 for drinking water research, to ensure the best available science needed for upcoming regulatory requirements under the Safe Drinking Water Act Amendments.

30. $1,500,000 for the National Jewish Medical and Research Center for research on the relationship between indoor and outdoor pollution and the development of respiratory diseases.

31. $1,250,000 for the Center for Air Toxics Metals at the Energy and Environmental Research Center.

32. $250,000 for acid rain research at the University of Vermont.

33. $6,000,000 for the Mine Waste Technology program at the National Environmental Waste Technology, Testing, and Evaluation Center.

34. $350,000 for the Consortium for Agricultural Soils Mitigation of Greenhouse Gases.

35. $250,000 to continue the work of the Environmental Technology Development and Commercialization Center at the Texas Regional Institute for Environmental Studies.

36. $750,000 for the Geothermal Heat Pump (GHP) Consortium.

37. $2,000,000 for the National Research Council to conduct a study of the effectiveness of clean air programs utilized by federal, state, and local governments. This study is intended to reveal, among other things, any contradictions among the various clean air programs, rules, and regulations at every level of government which may result in worsening air quality in the United States.

38. $3,000,000 for the National Technology Transfer Center to establish a technology commercialization partnership program and a comprehensive training program on commercialization best practices for EPA and other Federal officials.

The conferees have agreed to the following reductions from the budget request:

1. $22,900,000 from the CCTI Transportation research program.

2. $2,000,000 from the global change research program.

3. $3,000,000 from the Research for Ecosystems Assessment and Restoration program objective.

4. $900,000 from project EMPACT.

5. $4,958,000 from Clean Water Action Plan related research.

6. $1,000,000 from various lower priority facility repair and improvement projects.

7. $16,625,000 as a general reduction.

Within available funds, the Agency is expected to provide up to $1,000,000 to create the databases and analysis necessary to help establish programs and technologies to achieve an effective carbon sequestration program. In addition, no less than $7,000,000 is to be provided for the Superfund Innovative Technology Evaluation (SITE) program, and no less than $4,000,000 for the Clean Air Status and Trends Network (CASTNet).

The conferees are concerned about the accuracy of information contained in the Integrated Risk Information System (IRIS) data base which contains health effects information on more than 500 chemicals. The conferees direct the Agency to consult with the Science Advisory Board (SAB) on the design of a study that will, 1) examine a representative sample of IRIS health assessments completed before the IRIS Pilot Project, as well as a representative sample of assessments completed under the project, and 2) assess the extent to which these assessments document the range of uncertainty and variability of the data. The results of that study will be reviewed by the SAB and a copy of the study and the SAB's report on the study sent to the Congress within one year of enactment of this Act.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

Appropriates $1,900,000,000 for environmental programs and management instead of $1,850,000,000 as proposed by the House and $1,897,000,000 as proposed by the Senate. The conferees have included bill language as proposed by the House, identical to that carried in the fiscal year 1999 Act, which limits the expenditure of funds to implement or administer guidance relating to title VI of the Civil Rights Act of 1964, with certain exceptions. This provision does not provide the Agency statutory authority to implement its Environmental Justice Guidance. Rather, it simply clarifies the applicability of the Interim Guidance with respect to certain pending cases as an administrative convenience for the Agency.

Bill language proposed by the House and the Senate, identical to that contained in the fiscal year 1999 Act, has also been included to prohibit the expenditure of funds to take certain actions for the purpose of implementing or preparing to implement the Kyoto Protocol. Also included is bill language proposed by the House and the Senate to provide that in fiscal year 2000 and thereafter, grants awarded under section 20 of the Federal Insecticide, Fungicide and Rodenticide Act and under section 10 of the Toxic Substances Control Act shall be available for research, development, monitoring, public education, training, demonstrations, and studies.

Finally, the conferees have included bill language which transfers unexpended funds appropriated under this heading in Public Law 105–276 for the Lake Ponchartrain Basin Foundation to the state and tribal assistance grants account for grants for wastewater treatment infrastructure construction in Fluker Chapel and Mandeville, Louisiana.

The conferees have deleted language proposed by the Senate providing funds from within other EPA accounts to fund the Montreal Protocol activity, and have deleted language proposed by the Senate limiting the expenditure of funds for personnel compensation and benefit costs. The conferees have also deleted bill language proposed by the House providing funds for regional haze grants to the states. These issues have been specifically addressed elsewhere in the statement of the managers accompanying the conference report.

The conferees have agreed to the following increases to the budget request:

1. $2,000,000 for the Michigan Biotechnology Institute for continued development of viable cleanup technologies.

2. $500,000 for continued activities of the Small Business Pollution Prevention Center at the University of Northern Iowa.

3. $750,000 for the painting and coating compliance project at the University of Northern Iowa.

4. $1,500,000 for continuation of the Sacramento River Toxic Pollution Control Project, to be cost shared.

5. $1,325,000 for ongoing activities at the Canaan Valley Institute.

6. $2,500,000 for the Southwest Center for Environmental Research and Policy (SCERP).

7. $400,000 for continuation of the Small Water Systems Institute at Montana State University.

8. $14,000,000 for rural water technical assistance activities and groundwater protection with distribution as follows: $8,500,000 for the National Rural Water Association; $2,300,000 for the Rural Community Assistance Program; $650,000 for the Groundwater Protection Council; $1,550,000 for the Small Flows Clearinghouse; and $1,000,000 for the National Environmental Training Center. The conferees believe that the increase provided to carry out rural water technical assistance through the Rural Community Assistance Program (RCAP) should be utilized to balance that program's efforts with additional attention to wastewater projects.

9. $900,000 for implementation of the National Biosolids Partnership Program.

10. $1,000,000 for continued work on the Soil Aquifer Treatment Demonstration project.

11. $2,000,000 for continuation of the New York and New Jersey dredge decontamination project.

12. $500,000 for operation of the Long Island Sound Office.

13. $750,000 for the Southern Appalachian Mountain Institute.

14. $100,000 to the Miami-Dade County Department of Environmental Resources Management to expand the existing education program.

15. $200,000 for the Northwest Citizens' Advisory Commission to coordinate research and education efforts of environmental issues covering the entire Northwest Straits area.

16. $175,000 for use in planning to enhance environmental stewardship in the design, construction, and operation, of the University of California, Merced.

17. $1,000,000 for the four regional environmental enforcement projects.

18. $690,000 to develop a broad-based, highly interdisciplinary risk assessment program with strong community involvement, at Cleveland State University.

19. $700,000 for the university portion of the Southern Oxidants Study.

20. $1,500,000 for source water protection programs.

21. $5,000,000 for section 103 grants to the states to develop regional haze programs under Title I, Part C of the Clean Air Act.

22. $500,000 for continued work on the Cortland County, New York aquifer protection plan, $150,000 of which is for planning and implementation of the Upper Susquehanna watershed.

23. $1,250,000 for the National Onsite Water Demonstration project.

24. $2,000,000 for the Federal Energy Technology Center and EPA Region III for continued activities on a comprehensive clean water initiative.

25. $1,600,000 for Tampa Bay Watch to establish a sustaining program and expand community environmental restoration and developmental stewardship projects designed to elevate the health of the Tampa Bay estuary.

26. $500,000 for water quality monitoring of the Tennessee River basin through the Alabama Department of Environmental Management.

27. $5,000,000 to validate screens and tests required by the Food Quality Protection Act to identify hormone-disrupting chemicals.

28. $1,500,000 for training grants under section 104(g) of the Clean Water Act.

29. $500,000 for the Small Public Water System Technology Center at Western Kentucky University.

30. $400,000 for Small Water Systems Technology Assistance Center at the University of Alaska-Sitka.

31. $500,000 for the Small Public Water System Technology Center at the University of Missouri-Columbia.

32. $500,000 for the Southeast Center for Technology Assistance for Small Drinking Water Systems at Mississippi State University.

33. $500,000 to assist communities in Hawaii to meet successfully the water quality permitting requirements for rehabilitating native Hawaiian fishponds.

34. $5,000,000 under section 104(b) of the Clean Water Act for America's Clean Water Foundation for implementation of on-farm environmental assessments for hog production operations, with the goal of improving surface and ground water quality.

35. $475,000 for the Coordinated Tribal Water Quality Program through the Northwest Indian Fisheries Commission.

36. $500,000 for the Ohio River Watershed Pollutant Reduction Program, to be cost-shared.

37. $1,500,000 for the National Alternative Fuels Vehicle Training Program.

38. $2,500,000 for King County, Washington, molten carbonate fuel cell demonstration project.

39. $1,000,000 for the Frank Tejeda Center for Excellence in Environmental Operations to demonstrate new technology for water and wastewater treatment.

40. $775,000 for the National Center for Vehicle Emissions Control and Safety for on-board diagnostic research.

41. $750,000 for the Chesapeake Bay Small Watershed Grants Program.

42. $1,250,000 for the Lake Champlain management plan.

43. $500,000 for the Environmentors project.

44. $1,500,000 for the Food and Agricultural Policy Research Institute's Missouri watershed initiative project to link economic and environmental data with ambient water quality.

45. $500,000 for the final year of funding for the Ala Wai Canal watershed improvement project.

46. $200,000 for the Hawaii Department of Agriculture and the University of Hawaii College of Tropical Agriculture and Human Resources to continue developing agriculturally based remediation technologies.

47. $1,000,000 for the Animal Waste Management Consortium through the University of Missouri, acting with Iowa State University, North Carolina State University, Michigan State University, Oklahoma State University, and Purdue University to supplement ongoing research, demonstration, and outreach projects associated with animal waste management.

48. $1,500,000 for the University of Missouri Agroforestry Center to support the agroforestry floodplain initiative on nonpoint source pollution.

49. $1,000,000 for the Columbia basin ground water management assessment.

50. $1,500,000 for a cumulative impacts study of North Slope oil and gas development. The conferees expect the Administrator to contract for the full amount with the National Academy of Sciences through the National Research Council's Board on Environmental Studies and Toxicology to perform the study which shall be completed within 2 years of contract execution. The Council shall seek input from federal and state agencies, Native organizations, nongovernmental entities, and other interested parties. Pending completion of the NRC study, the conferees direct that federal agencies shall not, under any circumstances, rely upon the pendency of the study to delay, suspend, or otherwise alter federal decision-making and NEPA compliance for any existing or proposed oil and gas exploration, development, production or delivery on the North Slope.

51. $750,000 for an expansion of EPA's efforts related to the Government purchase and use of environmentally preferable products under Executive Order 13101 through the Office of Prevention, Pesticides and Toxic Substances. This includes up to $200,000 for the University of Missouri-Rolla to work with the Army to validate soysmoke as a replacement for petroleum fog oil in obscurant smoke used in battlefield exercises.

52. $200,000 to complete the development of a technical guidance manual for use by permit reviewers and product specifiers (Government and private sector) to ensure appropriate uses of preserved wood in applications including housing, piers, docks, bridges, utility poles, and railroad ties.

53. $500,000 for a watershed study for northern Kentucky, including the development and demonstration of a methodology for implementing a cost-effective program for addressing the problems associated with wet weather conditions on a watershed basis.

54. $1,750,000 for the Kansas City Riverfront project to demonstrate innovative methods of removing contaminated debris.

55. $250,000 for the Maryland Bureau of Mines to design and construct a Kempton Mine remediation project to reduce or eliminate the loss of quality water from surface streams into the Kempton Mine complex.

56. $975,000 for the Alabama Department of Environmental Management water and wastewater training programs.

57. $250,000 for the Vermont Department of Agriculture to work with the conservation districts along the Connecticut River in Vermont to reduce nonpoint source pollution.

58. $75,000 for the groundwater protection/wellhead protection project, Nez Perce Indian Reservation in Idaho.

59. $475,000 for the Water Systems Council to assist in the effective delivery of water to rural citizens nationwide.

60. $500,000 to complete the Treasure Valley Hydrologic Project.

61. $350,000 for the Leon County, Florida storm water runoff study.

62. $500,000 for Envision Utah sustainable development activities.

63. $550,000 for the Idaho Water Initiative.

64. $750,000 for the Resource and Agricultural Policy Systems Project.

65. $150,000 for the Vermont Small Business Development Center to assist small businesses in complying with environmental regulations.

66. $700,000 to continue the Urban Rivers Awareness Program at the Academy of Natural Sciences in Philadelphia for its environmental science program.

67. $500,000 for the Kenai River Center for research on watershed issues and related activities.

68. $300,000 for the restoration of the Beaver Springs Slough.

69. $750,000 for the New Hampshire Estuaries Project management plan implementation.

70. $200,000 for the Fairmount Park Commission to identify, design, implement, and evaluate environmental education exhibits.

71. $100,000 to continue the Design for the Environment for Farmers Program to address the unique environmental concerns of the American Pacific area through the adoption of sustainable agricultural practices.

72. $200,000 to complete the cleanup of Five Island Lake in Emmetsburg, Iowa.

73. $175,000 for the Geographical Survey of Alabama for a study on flow in natural and induced fractures in coalbed methane reservoirs to determine the impact of hydraulic fracturing and deep water production on shallow domestic water wells.

74. $850,000 for continued restoration of Lake Ponchartrain, Louisiana.

75. $500,000 for an arsenic groundwater study in Fallon, Nevada.

76. $500,000 for planning and development of the Buffalo Creek watershed, New York.

77. $1,500,000 for continued work on the water quality management plans for the New York watersheds.

78. $1,000,000 for the Mecklenburg County, North Carolina surface water improvement and management program.

79. $1,000,000 for planning and development of a master plan of the Susquehanna-Lackawanna, Pennsylvania watershed through the Pennsylvania Geographic Information Consortium.

80. $500,000 for a study of the effect of pesticide runoff on inter-urban lakes in Fort Worth, Texas.

81. $500,000 for the Brazos/Navasota, Texas watershed management initiative.

82. $300,000 for implementation of the Potomac River Visions Initiative through the Friends of the Potomac.

83. $500,000 for Mississippi State University, the University of Mississippi, and the University of Georgia to conduct forestry best management practice water quality effectiveness studies in the States of Mississippi and Georgia.

84. $500,000 for planning and consolidation of the west bank Jefferson Parish, Louisiana wastewater treatment facilities.

85. $300,000 for the Northeast States for Coordinated Air Use Management (NESCAUM).

86. $500,000 for completion of the international project to phase out the use of lead in gasoline.

87. $1,500,000 for West Virginia University to develop the plastics recycling component of the Green Exchange, in cooperation with the Polymer Alliance Zone and the National Electronics Recycling Project, and in consultation with the Office of Information and Resource Management.

The conferees have agreed to the following reductions from the budget request:

1. $90,000,000 from the climate change technology initiative (CCTI), including elimination of funds for the Transportation Partners program.

2. $2,000,000 from the partnerships with other countries program.

3. $3,043,000 from Project EMPACT.

4. $5,847,000 from compliance monitoring program.

5. $6,749,000 from the civil enforcement program.

6. $656,000 from the enforcement training program.

7. $2,700,000 from human resources management.

8. $1,369,000 from the criminal enforcement program.

9. $9,000,000 from the Montreal Protocol Multilateral Fund.

10. $4,700,000 from Sustainable Development Challenge Grants.

11. $3,400,000 from the new Urban Environmental Quality and Human Health program.

12. $112,119,000 as a general reduction.

In the Congressional response to the EPA's proposed Operating Plan for fiscal year 1999, deep concerns were raised regarding the increase of the overall personnel level at the Agency and the relationship of that increase to the actual appropriated levels for activities of the Agency. As a result of these concerns, both the House and the Senate included specific payroll reductions in their respective fiscal year 2000 legislative proposals, and the Senate took the further step of including a maximum expenditure for personnel compensation and benefits within the text of its bill.

The conferees acknowledge that such specific direction tends to reduce the Agency's flexibility in balancing both personnel and operations requirements and have therefore determined not to include specific dollar or FTE provisions in either the legislation or the statement of the managers accompanying the conference report. This action, however, should not be interpreted as any change in the conferees' resolve that EPA must continue to take the steps necessary,

short of a reduction-in-force action, to reduce its workforce and personnel costs.

To this end, the conferees expect the Agency to maintain throughout the year the modified hiring freeze begun during fiscal year 1999, with the ultimate goal of reaching, by the end of fiscal year 2001, an Agency-wide personnel level of no more than 18,000 FTEs. In applying the hiring freeze, the Agency should remain flexible and make accommodations, as appropriate, to maintain necessary positions, even if doing so will temporarily result in upward fluctuations of monthly personnel levels. In addition, the Agency is expected to include as part of its Operating Plan submission for fiscal year 2000 a proposal to reduce payroll costs to help meet the general reduction requirement contained in the Environmental Programs and Management account. Finally, the Agency is requested to provide monthly to the Committees on Appropriations an informal report detailing the end-of-month personnel levels listed by office, location (headquarters, region, field) and by appropriations account.

The conferees have agreed to provide $1,250,000 from within available funds for the seven Environmental Finance Centers. In this regard, the conferees direct the Agency to consider the finance center located at the University of Louisville part of and an equal partner in all activities, financial and otherwise, of the finance center network.

The conference agreement includes the budget request of $32,800,000 for reregistration and $36,100,000 for registration activities performed by EPA. Faster review and approval for registration applications will allow safer, more environmentally friendly products on the market sooner and ensure that farmers have the ability to protect their crop. In the submission of the fiscal year 2000 operating plan, the Agency is directed to take no reductions below the budget request from the pesticide registration and reregistration programs, as well as from the NPDES permit backlog, compliance assistance activities, RCRA corrective actions, and data quality and information management activities related to the reorganization of the Office of Information Management.

The conferees have provided $5,000,000 under section 103 of the Clean Air Act for states and recognized regional partnerships, including the Western Regional Air Partnership due to the accelerated schedule it has in the Regional Haze regulations, for multistate planning efforts on regional haze, including aiding in the development of emissions inventories, quantification of natural visibility conditions, monitoring, and other data necessary to define reasonable progress and develop control strategies. These additional funds shall in no way reduce other, existing grants to states or tribes authorized under sections 103 and 105 of title I, part C of the Clean Air Act, as amended.

The conferees have similarly provided an additional $5,000,000 for the validation of screens and tests under the Endocrine Disrupter Screening Program (EDSP), bringing the total funding level for this program to $12,700,000. The conferees expect these funds to be used by the Office of Pollution Prevention and Toxics, in conjunction with the Office of Research and Development, to improve, standardize, and validate simultaneously the recommended Tier I screens and Tier II tests, beginning with those screens and tests relevant to human health, to protect appropriately public health. For the public to have confidence in information developed under the EDSP, the screens and tests must produce credible, replicable results.

Within 60 days of enactment of this Act, EPA is directed to provide $300,000 to the Environmental Council of the States (ECOS) to analyze state enforcement and compliance statistics and identify the sources of any inconsistencies among the states and EPA in data collection, reporting, or definitions, and make such information along with a summary of state enforcement and compliance activities available for review by the Congress. EPA is further directed to provide the National Academy of Public Administration (NAPA), within 60 days of enactment, $200,000 to provide the Congress with an independent evaluation of state and federal enforcement data, including a recommendation of actions needed to ensure public access to accurate, credible, and consistent enforcement data.

Within available funds, the conferees direct EPA to conduct a relative risk assessment of deep well injection, ocean disposal, surface discharge, and aquifer recharge of treated effluent in South Florida, in close cooperation with the Florida Department of Environmental Protection and South Florida municipal water utilities.

The conferees encourage EPA to move forward with a rulemaking to provide for the use of a refillable/recyclable refrigerant cylinder system as a means of reducing the release of ozone-depleting chemicals.

Consistent with the Senate Report, the Agency is directed to conduct in conjunction with the Department of Agriculture a cost and capability assessment of the Unified National Strategy for Animal Feeding Operations. The conferees agree this report should be completed and submitted to the Congress by May 15, 2001. Similarly, consistent with the House Report, the conferees expect the Agency to solicit and consider additional public comment regarding exemptions from the rule on ''plant pesticides'' as suggested by the Consortium of Eleven Scientific Societies.

The conferees are concerned about an apparent inequity created by two separate and conflicting actions that occurred last May. One was EPA's issuance of a final rule under section 126 of the Clean Air Act that in essence requires the same emission reductions called for by EPA's State Implementation Plan (SIP) revision call for nitrogen oxides (NOx) if the Agency has not approved the NOx SIP Call revisions of 22 States and the District of Columbia by November 30, 1999. The other was an order by the United States Court of Appeals for the D.C. Circuit staying the requirement imposed in EPA's 1998 NOx SIP Call for these same jurisdictions to submit the SIP revisions just mentioned for EPA approval. Prior to this, EPA maintained a close link between the NOx SIP Call and the section 126 rule.

While the conferees' primary concern is in ensuring that these matters are soon resolved in the interest of air quality enhancements for all the states, the conferees encourage EPA to retain the linkage and refrain from implementing the section 126 regulation until the NOx SIP Call litigation is complete.

The conferees are aware that an agreement is close to being reached among the EPA, various animal protection organizations, trade associations representing chemical companies, and other interested parties that will incorporate certain animal welfare concerns and scientific principles into the High Production Volume (HPV) testing program. It is the intention of the conferees that the HPV program, including the first test rule, should proceed in a manner that is consistent with those animal welfare concerns and that the EPA develop and validate within existing funds non-animal test methods for use in chemical toxicity testing.

The conferees are aware of concerns regarding the relationship between proposed regulatory standards for radium in drinking water and the actual risks to public health caused by the ingestion of low concentrations of radium in drinking water. The Administrator of the EPA is therefore directed to evaluate all direct human health impacts of low concentrations of radium in drinking water and ascertain at what level radium in water actually becomes a risk to public health. The EPA is expected to publish a summary of this information in a Notice of Data Availability before making decisions about final standards for Radium 226 and Radium 228 in drinking water.

The conferees have deleted bill language proposed by the House under General Provisions in title IV prohibiting the expenditure of funds to publish or issue an assessment required under section 106 of the Global Change Research Act of 1990 unless the supporting research has been subjected to peer review and, if not otherwise publicly available, posted electronically for public comment prior to use in the assessment, and the draft assessment has been published in the Federal Register for a 60 day public comment period. While the conferees have deleted this specific bill language, the Agency is nevertheless expected to adhere to this provision.

Unlike in the State and Tribal Assistance Grants account, the Agency has historically not required a cost-share component for specific grants provided through the Environmental Programs and Management (EPM) account, unless specifically required. In order to leverage better available financial resources, the Agency is directed to work with the Committees on Appropriations in the development of a proposal for a cost-share requirement to be included for projects funded within the EPM account, with the goal of having such an agreed upon proposal included in the fiscal year 2000 Operating Plan.

OFFICE OF INSPECTOR GENERAL

Appropriates $32,409,000 for the Office of Inspector General as proposed by the Senate instead of $25,000,000 as proposed by the House. In addition to this appropriation, $11,000,000 is available to the OIG by transfer from the Hazardous Substance Superfund account. The conferees agree that the increase above the budget request provided the OIG should be used to address major problems at EPA through the development of additional audits of grants and assistance agreements, and to form a new program evaluation unit to analyze environmental outcomes more effectively.

BUILDINGS AND FACILITIES

Appropriates $62,600,000 for buildings and facilities as proposed by the House instead of $25,930,000 as proposed by the Senate. The conferees note that within this appropriation is $36,700,000, the final funding increment, for continued construction of the consolidated research facility at Research Triangle Park, North Carolina.

HAZARDOUS SUBSTANCE SUPERFUND

Appropriates $1,400,000,000 for hazardous substance superfund as proposed by the Senate instead of $1,450,000,000 as proposed by the House. Bill language provides that $700,000,000 of the appropriated amount is to be derived from the Superfund Trust Fund, while the remaining $700,000,000 is to be derived from General Revenues of the Treasury. Additional language 1) provides $70,000,000 for the Agency for Toxic Substances and Disease Registry (ATSDR); 2) provides for a transfer of $11,000,000 to the Office of Inspector General; 3) provides for a transfer of $38,000,000 to the Science and Technology account; and 4) provides that $100,000,000 of the appropriated amount shall not become available for obligation until September 1, 2000.

The conferees have also included bill language which permits the Administrator of the ATSDR to conduct other appropriate health studies and evaluations or activities in lieu of health assessments pursuant to section 104(i)(6) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA). The language further stipulates that in the conduct of such other health assessments, evaluations, or activities, the ATSDR shall not be bound by the deadlines imposed in section 104(i)(6)(A) of CERCLA.

The conferees have agreed to the following fiscal year 2000 funding levels:

1. $917,337,000 for Superfund response/cleanup actions. The Brownfields program has been funded at the budget request level of $91,700,000.
2. $140,000,000 for enforcement activities.
3. $125,000,000 for management and support. In addition, $11,000,000 is to be provided by transfer to the Office of Inspector General.
4. $38,000,000 for research and development activities, to be transferred to the Science and Technology account.
5. $60,000,000 for the National Institute of Environmental Health Sciences, including $23,000,000 for worker training and $37,000,000 for research activities.
6. $70,000,000 for the Agency for Toxic Substances and Disease Registry.
7. $38,663,000 for reimbursable interagency activities, including $28,663,000 for the Department of Justice, $650,000 for OSHA, $1,100,000 for FEMA, $2,450,000 for NOAA, $4,800,000 for the Coast Guard, and $1,000,000 for the Department of the Interior.

Within the amount provided to the ATSDR, $1,500,000 is for continued work on the Toms River, New Jersey cancer evaluation and research project. In addition, the conferees expect the ATSDR to provide adequate funding to continue the minority health professions program and to continue the health effects study on the consumption of Great Lakes fish. As in the past, ATSDR's administrative costs charged by CDC are capped at 7.5 percent of the amount appropriated herein. The conferees agree that $3,000,000 is to be re-directed from health assessments to other priorities.

With the funds transferred to science and technology, the conferees direct that the current hazardous substance research centers, including the Gulf Coast center, will be funded at no less than the 1998 funding level.

For fiscal year 2000 and consistent with fiscal year 1999, the conferees direct the Agency not to initiate or order dredging, except as noted in the conference report and statement of the managers accompanying the 1999 Appropriations Act, until the National Academy of Sciences has completed its dredging study and that study has been properly considered by EPA. Further, the Agency should only initiate or order dredging in cases where a full analysis of long and short-term health and environmental impacts has been conducted.

Finally, the conferees direct that within 45 days of enactment of this Act, EPA award a cooperative agreement for an independent analysis of the projected federal costs over the ten-year period of fiscal years 2000–2010 for implementation of the Superfund program under current law, including the annual and cumulative costs associated with administering CERCLA activities at National Priority List (NPL) sites. The analysis should identify sources of uncertainty in the estimates, and shall model 1) costs for completion of all sites currently listed on the NPL, 2) costs associated with additions to the NPL anticipated for fiscal year 2000 through fiscal year 2009, 3) costs associated with federal expenditures for the operations and maintenance at both existing and new NPL sites, 4) costs for emergency removals, 5) non-site specific costs assigned to other activities such as research, administration, and interagency transfers, and 6) costs associated with five-year reviews at existing and new NPL sites and associated activities. For purposes of this analysis, costs associated with assessment, response, and development of brownfields and federal facility sites are not to be included. The analysis shall be conducted by the Resources for the Future, and the results of the work are to be transmitted in a report to the Congress no later than December 31, 2000.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

Appropriates $70,000,000 for the leaking underground storage tank program instead of $60,000,000 as proposed by the House and $71,556,000 as proposed by the Senate.

The conferees direct EPA to submit a plan to the Congress by May 1, 2000, including cost estimates, to (1) identify underground storage tanks that are not in compliance with subtitle I of the Solid Waste Disposal Act; (2) identify underground storage tanks in temporary closure; (3) determine the ownership of underground storage tanks not in compliance or in temporary closure; and (4) determine the plans of owners and operators to bring such tanks into compliance or out of temporary closure. For tanks for which no owner can be identified, the plans should describe how they will be brought into compliance or closed permanently.

OIL SPILL RESPONSE

Appropriates $15,000,000 for oil spill response as provided by both the House and the Senate.

STATE AND TRIBAL ASSISTANCE GRANTS

Appropriates $3,466,650,000 for state and tribal assistance grants instead of $3,199,957,000 as proposed by the House and $3,250,000,000 as proposed by the Senate. Bill language specifically provides $1,350,000,000 for Clean Water State Revolving Fund (SRF) capitalization grants, $820,000,000 for Safe Drinking Water SRF capitalization grants, $50,000,000 for the United States-Mexico Border program, $30,000,000 for grants to address drinking water and wastewater infrastructure needs in rural and native Alaska, $885,000,000 for categorical grants to the states and tribes, and $331,650,000 for grants for construction of water and wastewater treatment facilities and for groundwater protection infrastructure.

The conferees have included bill language which, for fiscal year 2000 only, authorizes the Administrator of the EPA to use funds appropriated under section 319 of the Federal Water Pollution Control Act (FWPCA) to make grants to Indian tribes pursuant to section 319 (h) and 518 (e) of FWPCA. In addition, bill language has been adopted by the conferees to permit states to include as principal amounts considered to be the cost of administering or, for the State of New York only, capitalizing SRF loans to eligible borrowers, with certain limitations.

The conferees have further agreed to include bill language which resolves in favor of the grantee a disputed grant, docket number AA–91–AD34 (05–90–AD09); bill language which permits EPA and the State of New York to utilize certain grant reallotments to provide grant assistance to Nassau County, New York for improvements at the Bay Park and Cedar Creek waste treatment plants; and bill language which makes technical changes to the use of funds appropriated in Public Law 105–276 for water and sewer infrastructure improvements in Utah and Alaska.

Finally, the conferees have included bill language, similar to that included in the fiscal year 1998 Appropriations Act, which permits the District of Columbia Water and Sewer Authority to obtain federal construction grants containing a matching requirement of 80–20. This provision will permit the District to continue its efforts to implement its necessary capital improvement program while enabling it to maintain a sound financial position.

Of the funds provided for the United States-Mexico Border Program, $3,000,000 is for the El Paso-Las Cruces sustainable water project, and $2,000,000 is for the Brownsville, Texas water supply project. Of the funds provided for rural and Alaska Native villages, $2,000,000 is for training and technical assistance. The State of Alaska must also provide a 25 percent match for all expenditures through this program.

The conferees agree that the $331,650,000 provided to communities or other entities for construction of water and wastewater treatment facilities and for groundwater protection infrastructure shall be accompanied by a cost-share requirement whereby 45 percent of a project's cost is to be the responsibility of the community or entity consistent with long-standing guidelines of the Agency. These guidelines also offer flexibility in the application of the cost-share requirement for those few circumstances when meeting the 45 percent requirement is not possible. The Agency is commended for its past efforts in working with communities and other entities to resolve problems in this regard, and the conferees expect this level of effort and flexibility to continue throughout fiscal year 2000. The distribution of funds under this program is as follows:

1. $2,000,000 for wastewater infrastructure improvements in Cherokee County ($750,000); South Vinemont ($750,000); and Dodge City ($500,000), Alabama.
2. $1,000,000 for water infrastructure needs in Jefferson County, Alabama.
3. $500,000 for the Dog River watershed project in Mobile, Alabama.
4. $1,900,000 for wastewater infrastructure improvements in Stevenson ($950,000) and Athens ($950,000), Alabama.
5. $3,000,000 for a surface water treatment plant in Franklin County, Alabama.
6. $500,000 for Lafayette, Alabama, water system project.
7. $500,000 for the City of Sitka, Alaska, water/sewer improvements.
8. $3,750,000 for water/sewer improvements in the Chugiak area of Anchorage, Alaska.
9. $3,750,000 for water/sewer improvements for the City of Valdez, Alaska.
10. $300,000 for the East Wetlands Restoration project in Yuma, Arizona.
11. $3,000,000 for a grant to the Arizona Water Infrastructure Financing Authority for making a loan to the city of Safford, Arizona to address the city's wastewater needs, which will be repaid by the city to the Arizona Clean Water Revolving fund established under title VI of the Federal Water Pollution Control Act, as amended.
12. $1,000,000 for water and wastewater infrastructure improvements in Fort Chaffee, Arkansas.
13. $3,000,000 for the Coastal Low Flow Storm Drain Diversion project in San Diego, California.
14. $1,500,000 for the removal of Arundo Donax on the lower Santa Ana River ($1,000,000); and for restoration of Lake Elsinore ($500,000), California.
15. $3,000,000 for continued construction of the Olivenhain Water District, California water treatment project.
16. $2,000,000 for continued work on the Lake Tahoe water export replacement project ($1,000,000), and for wastewater infrastructure improvements at the Placer County Subregional Wastewater Treatment Plant ($1,000,000), California.

17. $3,500,000 for water and wastewater infrastructure improvements for Arcadia and Sierra Madre ($2,000,000) and the City of San Dimas Walker House ($1,000,000); and for the Desalination Research and Innovation Partnership ($500,000), California.

18. $500,000 for continued development of the Calleguas Creek, California watershed management plan.

19. $4,000,000 for water, wastewater, and system infrastructure development and improvements for the Yucaipa Valley Water District ($2,000,000); the Lower Owens River project in Inyo County ($1,000,000); the Lower Owens River project in the City of Los Angeles ($500,000); and the San Timoteo Creek environmental restoration project in Loma Linda ($500,000), California.

20. $2,000,000 for Sacramento, California's combined sewer system improvement and rehabilitation project.

21. $2,500,000 for a desalination facility in Carlsbad ($500,000); for the San Diego wastewater capital improvement program ($1,000,000), and for watershed planning for the community and environmental transportation acceptability process in Riverside County ($1,000,000), California.

22. $1,000,000 for wastewater and sewer infrastructure improvements in Huntington Beach, California.

23. $950,000 for wastewater infrastructure improvements in the Russian River Sanitation District ($475,000), and for continued development of the Geysers Recharge project ($475,000), California.

24. $1,600,000 for continuation of a water reuse demonstration project in Yucca Valley ($1,000,000) and a water storage distribution project in Twenty Nine Palms ($600,000), California.

25. $950,000 for wastewater infrastructure needs on Mare Island, Vallejo, California.

26. $1,500,000 for sewer infrastructure improvements in the vicinity of the Santa Clara River in Los Angeles County, California.

27. $1,500,000 for the City of Montrose, Colorado, wastewater treatment plant upgrade.

28. $1,500,000 for wastewater infrastructure improvements in New Britain and Southington, Connecticut.

29. $1,425,000 for wastewater infrastructure and combined sewer overflow improvements on the Connecticut River in Connecticut and Massachusetts.

30. $3,000,000 for water, wastewater, and water reuse infrastructure improvements through Florida's five water management district Alternative Water Sources Development program.

31. $2,000,000 for continuation of the water reuse infrastructure project in West Palm Beach, Florida.

32. $5,000,000 for the Tampa Bay, Florida regional reservoir infrastructure project.

33. $1,900,000 for wastewater infrastructure improvements for Opa-locka ($950,000) and for the Highland Village neighborhood of North Miami Beach ($950,000), Florida.

34. $1,500,000 for wastewater infrastructure improvements necessary to reduce effluent discharge into Sarasota Bay, Florida.

35. $500,000 for development of the Deer Point Watershed Protection Zone in Bay County, Florida.

36. $1,000,000 for analysis and development of necessary combined system overflow facilities in Atlanta, Georgia.

37. $1,000,000 for infrastructure development and improvements of the Big Creek watershed programs in the cities of Roswell, Mountain Park, and Brookfield, and Fulton County, Georgia.

38. $1,000,000 for continued work on the basin stormwater retention and reuse project at Big Haynes Creek, Georgia.

39. $1,500,000 for the County of Kauai, Hawaii, for the Lihue wastewater treatment plant.

40. $600,000 for water and wastewater infrastructure improvements in Jerome ($300,000), and Dietrich ($300,000), Idaho.

41. $1,800,000 for the City of Blackfoot, Idaho, for wastewater treatment plant improvements.

42. $7,500,000 for drinking water infrastructure improvements in the cities of DeKalb ($2,500,000); Yorkville ($1,000,000); Elburn ($500,000); Batavia ($1,500,000); Oswego ($1,000,000); and Geneva ($1,000,000), Illinois.

43. $4,750,000 for continued development of the tunnel and reservoir project (TARP) of the Metropolitan Water Reclamation District in Chicago, Illinois.

44. $950,000 for water and wastewater infrastructure improvements in Robbins ($475,000) and Phoenix ($475,000), Illinois.

45. $1,000,000 for infrastructure development of the Pigeon Creek Enhancement project in Evansville, Indiana.

46. $1,900,000 for wastewater infrastructure improvements within the Gary Sanitary District, Indiana.

47. $900,000 for wastewater infrastructure improvements in Kansas City, Kansas.

48. $1,500,000 for wastewater infrastructure development and improvements in Jessamine County, Kentucky.

49. $1,000,000 for wastewater and drinking water infrastructure improvements in Bonnieville ($600,000) and in the Kentucky Turnpike Water District Division 2 ($400,000), Kentucky.

50. $1,500,000 for wastewater infrastructure improvements at the West County Wastewater Treatment Plant within the Metropolitan Sewer District of Louisville, Kentucky.

51. $6,400,000 for water and wastewater infrastructure needs for Knott County ($2,000,000); Somerset ($1,400,000); Knox County ($1,000,000); Harlan ($1,000,000); and McCreary County ($1,000,000), Kentucky.

52. $800,000 for water, sewer, and wastewater infrastructure improvements within the Henderson County Water District ($350,000); the Logan/Todd Regional Water System ($300,000); the McLean County sewer system ($120,000); and the Fancy Farm water system ($30,000), Kentucky.

53. $3,000,000 for North Jessamine County, Kentucky, wastewater system improvements.

54. $2,500,000 for water and wastewater infrastructure improvements in the East Baton Rouge Parish ($1,000,000); Ascension Parish ($1,250,000); and St. Gabriel ($250,000), Louisiana.

55. $2,000,000 for water and wastewater infrastructure improvements in St. Bernard Parish, Louisiana.

56. $3,800,000 for New Orleans, Louisiana wastewater infrastructure improvements.

57. $1,425,000 for combined sewer overflow infrastructure support in Middlesex and Essex Counties ($712,500), and for continued wastewater infrastructure improvements in Essex County ($712,500), Massachusetts.

58. $2,000,000 for continued wastewater needs in Bristol County, Massachusetts.

59. $1,900,000 for combined sewer overflow infrastructure improvements in Boston, Massachusetts.

60. $1,000,000 for Vinalhaven, Maine, wastewater infrastructure improvements.

61. $5,000,000 for the upgrade of sewage treatment facilities in Cambridge and Salisbury, Maryland.

62. $1,500,000 for combined sewer overflow infrastructure improvements in Grand Rapids, Michigan.

63. $5,000,000 for continuation of the Rouge River National Wet Weather Demonstration project.

64. $1,500,000 for infrastructure improvements within the George W. Kuhn Drainage District, Oakland County, Michigan.

65. $1,000,000 for water and watershed infrastructure improvements and research through Western Michigan University at Kalamazoo, Michigan.

66. $1,900,000 for wastewater infrastructure improvements in Port Huron, Michigan.

67. $1,425,000 for continued drinking water infrastructure improvements for Bad Axe, Michigan.

68. $1,900,000 for continued development of the Mille Lacs regional wastewater treatment facility, Minnesota.

69. $2,800,000 for the City of Flowood, Mississippi for the Hogg Creek Interceptor wastewater infrastructure improvements within the West Rankin Regional Sewage System.

70. $950,000 for sewer and wastewater infrastructure needs in Picayune, Mississippi.

71. $3,500,000 for wastewater infrastructure improvements at the DeSoto County Wastewater Treatment Facility ($2,950,000), and the City of Farmington wastewater collection and treatment facility ($550,000), Mississippi.

72. $475,000 for wastewater infrastructure improvements in Lamont, Mississippi.

73. $5,200,000 for wastewater infrastructure evaluation and improvements in Jackson, Mississippi.

74. $2,375,000 for the Meramac River, Missouri enhancement and wetlands protection project.

75. $1,000,000 for wastewater infrastructure improvements in Jefferson County, Missouri.

76. $5,500,000 for the State of Missouri Department of Natural Resources for phosphorous removal efforts in southwestern Missouri communities under 50,000, including but not limited to Nixa, Ozark, Kimberling City, Reeds Spring, and Galena wastewater treatment facilities discharging into the Table Rock Lake watershed.

77. $3,300,000 for the Missouri Division of State Parks water and sewer improvements needs including but not limited to the state parks of Meramec, Roaring River, Lake of the Ozarks, Knob Noster, Cuivve River, Mark Twain, and Trail of Tears.

78. $1,000,000 for wastewater infrastructure improvements for the East Missoula wastewater system ($250,000); the El Mar Estates wastewater treatment facility ($250,000); and the Lolo wastewater treatment plant ($500,000), Montana.

79. $4,000,000 for the Lockwood, Montana, water and sewer district for implementation of its wastewater collection, treatment and disposal plan.

80. $1,500,000 for the Big Timber, Montana wastewater treatment facility.

81. $450,000 for watershed management improvements in Omaha, Nebraska.

82. $3,300,000 for water and wastewater infrastructure needs of the Moapa Valley Water District ($2,300,000) and the City of Fallon ($1,000,000), Nevada.

83. $900,000 for water infrastructure improvements in Henderson, Nevada.

84. $2,000,000 for wastewater infrastructure improvements in Epping, New Hampshire.

85. $2,000,000 for the Berlin, New Hampshire, water infrastructure improvements.

86. $1,000,000 for combined sewer overflow infrastructure improvements in Nashua, New Hampshire.

87. $5,000,000 for combined sewer overflow requirements of the Passaic Valley Sewerage Commission, New Jersey.

88. $1,500,000 for combined sewer overflow infrastructure improvements of the North Hudson Sewerage Authority, New Jersey.

89. $475,000 for wastewater infrastructure improvements for the South Side Interceptor/Queens Ditch in Newark, New Jersey.

90. $3,000,000 for water and wastewater infrastructure and development needs in Lovington ($1,500,000) and Belen ($1,500,000), New Mexico.

91. $7,500,000 for water and wastewater infrastructure improvements in Bernalillo ($1,000,000); in the North and South Valley areas of Albuquerque and Bernalillo County ($6,000,000); and in Espanola ($500,000), New Mexico.

92. $500,000 for the Clovis, New Mexico emergency repair of a wastewater effluent holding pond and renovation of its wastewater treatment plant.

93. $10,000,000 for drinking water infrastructure needs in the New York City watershed.

94. $5,000,000 for wastewater infrastructure improvements within the Western Ramapo Sewer District in Rockland County, New York.

95. $950,000 for wastewater infrastructure improvements at New York and Pennsylvania treatment facilities which discharge into the Susquehanna River.

96. $950,000 for infrastructure improvements at the White Plains water filtration facility, New York.

97. $1,500,000 for phase one of the Genesee County, New York public water supply project.

98. $1,500,000 for water and wastewater infrastructure improvements for the Hamlet of Verona, New York.

99. $1,500,000 for the Lake Water Supply project in Monroe County, New York.

100. $1,000,000 for water infrastructure improvements in Syracuse, New York.

101. $18,500,000 for continued clean water improvements of Onondaga Lake, New York.

102. $2,500,000 for drinking water and wastewater infrastructure improvements of the Buncombe County Metropolitan Sewerage District ($2,000,000), and in the town of Waynesville ($500,000), North Carolina.

103. $3,000,000 for the Grand Forks, North Dakota, water treatment plant.

104. $1,925,000 for continued development of a storm water abatement system in the Doan Brook Watershed Area, Ohio.

105. $3,000,000 for combined sewer overflow infrastructure improvements in Port Clinton ($1,500,000) and Van Wert ($1,500,000), Ohio.

106. $1,000,000 for water treatment infrastructure improvements in Girard, Ohio.

107. $1,900,000 for wastewater improvements associated with the Toledo Waste Equalization Basin, Ohio.

108. $1,425,000 for drinking water infrastructure needs in Jackson County, Ohio.

109. $1,000,000 for wastewater infrastructure improvements in Hood River, Oregon.

110. $2,900,000 for continued development of the Three Rivers Wet Weather Demonstration program in Allegheny County, Pennsylvania.

111. $1,000,000 for Hampden Township, Pennsylvania wastewater infrastructure improvements.

112. $1,000,000 for continued wastewater infrastructure improvements for the Springettsbury Township and City of York, Pennsylvania.

113. $3,800,000 for groundwater, drinking water and watershed infrastructure restoration and improvements in Carrolltown Borough ($1,567,500); Sipesville ($2,118,500); and the Saint Vincent watershed ($114,000), Pennsylvania.

114. $1,000,000 for wastewater infrastructure improvements for the Roaring Brook Township Sewer Authority ($300,000); the Borough of Olyphant ($300,000); and the Borough of Honesdale ($400,000), Pennsylvania.

115. $1,000,000 for wastewater and sewer infrastructure improvements in New Kensington, Pennsylvania.

116. $5,000,000 for water and wastewater infrastructure improvements for the Lewistown Municipal Water Authority ($500,000); Chambersburg Borough ($1,250,000); Hollidaysburg Borough ($1,500,000); Houtzdale Borough Municipal Authority ($200,000); Tyrone Borough ($800,000); Metal Township Sewer Authority ($500,000); and Decatur Township ($250,000), Pennsylvania.

117. $500,000 for water infrastructure needs in the Khedive area of Jefferson Township, Greene County, Pennsylvania.

118. $4,000,000 for the continued development of water supply needs of the Lake Marion Regional Water Agency, South Carolina.

119. $2,300,000 for the Shulerville-Honey Hill, South Carolina, water extension project.

120. $1,000,000 for wastewater infrastructure development and improvements at the George's Creek Wastewater Treatment Plant, Pickens County, South Carolina.

121. $500,000 for Dell Rapids, South Dakota, wastewater treatment facility upgrade.

122. $5,000,000 for the Mitchell, South Dakota, water system.

123. $2,000,000 for drinking water infrastructure improvements of the Sunbright Utility District, Morgan County, Tennessee.

124. $1,000,000 for a wastewater, wet weather demonstration project in Fort Worth, Texas.

125. $500,000 for continued development of the Riverton, Utah water reuse system improvement project.

126. $2,000,000 for water, sewer, and stormwater infrastructure improvements for the City of Ogden, Utah.

127. $800,000 for a wetland development project in Logan, Utah.

128. $8,000,000 for continued development of combined sewer overflow improvements in Richmond ($4,000,000) and Lynchburg ($4,000,000), Virginia.

129. $2,000,000 for water and wastewater infrastructure improvements in western Lee County ($1,250,000) and in Amonate, Tazewell County ($750,000), Virginia.

130. $2,700,000 for the Pownal, Vermont wastewater treatment project.

131. $1,300,000 for the Cabot, Vermont, wastewater treatment project.

132. $2,500,000 for water system improvements in Metaline Falls, Washington.

133. $600,000 for the city of Bremerton, Washington, combined sewer overflow project.

134. $450,000 for water and wastewater infrastructure needs for the Village of Klicktat, Washington.

135. $950,000 for water and wastewater infrastructure improvements in Huntington, West Virginia.

136. $7,000,000 for water, wastewater, and sewer infrastructure improvements in Davis ($1,850,000); Newburg ($1,900,000); the Chestnut Ridge Public Service District in Barbour County ($1,950,000); and Worthington ($1,300,000), West Virginia.

137. $5,000,000 for the City of Welch, West Virginia, for water and sewer improvements.

138. $3,000,000 for continued development of the Metropolitan Milwaukee Sewerage District interceptor system.

139. $1,000,000 for wastewater infrastructure improvements in Beloit, Wisconsin.

140. $5,900,000 for continuation of the National Community Decentralized Wastewater Demonstration Project to develop and transfer technologies which offer alternatives to centralized wastewater treatment facilities. The three communities of Monroe County, Florida Keys, Florida ($4,000,000); Mobile, Alabama ($1,200,000); and Skaneateles Lake, New York have been added to the demonstration project based on their unique and diverse geology and geography, as well as on the commitment of each community to find appropriate alternative technologies to resolve their wastewater treatment needs. The Committee expects to continue the cost share requirements for these three projects as was provided the first three project communities.

141. $500,000 for wastewater infrastructure improvements through the City of Warm Springs, Georgia.

It is the intent of the conferees that EPA is to award the remaining $2,675,000 not yet awarded from the $8,000,000 appropriated in Public Law 105–65 for the Upper Savannah Council of Governments for wastewater facility improvements, with a local match less than that normally prescribed by EPA for such grants. In addition, for this year and prior fiscal years, any grants to nonprofit organizations (or educational institutions) for a project to demonstrate the use of an onsite ecologically based wastewater treatment process that are funded from monies included in EPA's State and Tribal Assistance Grant account should require not more than a five percent match requirement.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Appropriates $5,108,000 for the Office of Science and Technology Policy as proposed by the House instead of $5,201,000 as proposed by the Senate.

The conferees are aware of the growing interest in the scientific, biomedical, and industrial communities for increasing high field nuclear magnetic resonance capacities. Last year, the House Appropriations Committee requested the National Science Foundation assess and report on Japanese efforts in this area. It appears that progress by Japan and several other countries has been impressive while efforts related to this important new technology in the United States have lagged.

The conferees strongly urge the OSTP to undertake an assessment of this technology, its potential utilization by various scientific disciplines, and to provide recommendations on what future efforts or programs the federal research and development agencies should undertake to address this challenge. The conferees request the OSTP provide a report to the Committees on Appropriations by May 1, 2000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Appropriates $2,827,000 for the Council on Environmental Quality and the Office of Environmental Quality as proposed by the House instead of $2,675,000 as proposed by the Senate. The conferees have once again included bill language which prohibits CEQ from using funds other than those appropriated directly under this heading. The Council is expected to implement this provision in a manner consistent with its implementation during fiscal years 1998 and 1999.

The conferees note that the fiscal year 1999 Appropriations Act directed that ''no less than $100,000 of the appropriated amount be used by CEQ for work on the NEPA Reinvention project . . . to establish a memorandum of understanding between the Federal Energy Regulatory Commission and other appropriate federal departments and agencies to expedite review of natural gas pipeline projects.'' The conferees commend CEQ for beginning this process and understand the Council is currently awaiting input from the industry, which is expected shortly. The conferees continue to want this memorandum of understanding to occur in fiscal year 2000 and expect that it will help to serve as a model to develop memoranda of understanding to expedite processing for other projects that require NEPA review.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

Appropriates $33,666,000 for the Office of Inspector general as proposed by the House, instead of $34,666,000 as proposed by the Senate. Funds for this account are derived from the Bank Insurance Fund, the Savings and Loan

association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

Appropriates $300,000,000 for disaster relief as proposed by the both the House and the Senate. In addition, appropriates $2,480,425,000 in emergency funding for disaster relief. The House and Senate bills did not provide for the emergency funding.

The conferees have agreed to include language in the bill making $10,000,000 from section 404 hazard mitigation grant funding available to the State of California for pilot projects to demonstrate seismic retrofit technology. Of this amount, FEMA is directed to use $2,000,000 to continue a pilot project of seismic retrofit technology on an existing welded steel frame building at California State University, San Bernardino. Also within the account, an additional $6,000,000 is available for continuation of a project at Loma Linda University Hospital, and $2,000,000 is available for a seismic retrofit project at the University of Redlands.

The conferees have also agreed to make available from section 404 hazard mitigation grant funding available to the respective states, $1,000,000 for a hurricane mitigation project at South Florida University, Ft. Lauderdale campus; $2,500,000 for a windstorm simulation project at Florida International University; $1,000,000 for a logistical staging area concept demonstration at the Stanly County Airport in North Carolina; and $500,000 for wave monitoring buoys in the Gulf of Mexico off the Louisiana coast.

The conferees note that FEMA's plans to promulgate regulations pertaining to public assistance insurance requirements have significant financial implications for states, municipalities, and private non-profit hospitals and universities. The conferees believe it is important that FEMA obtain key data prior to finalizing such a rule. Therefore, the conferees direct the General Accounting Office to study the financial impacts of the proposed FEMA regulation and submit the report to the Committees on Appropriations of the House and Senate within 120 days. Prior to finalizing a rule, FEMA is directed to consider fully the GAO's findings.

The conferees agree that the Texas Task Force 1 is strategically located and fully operational and direct FEMA to do a full evaluation of the task force and report back to the Committees on Appropriations of the House and Senate as to whether it should be included in the Urban Search and Rescue system.

The conferees are concerned that FEMA may not have adequate resources available for the training of federal, state, local, and volunteer disaster officials on the latest techniques in disaster response and resource management. Therefore, the conferees direct FEMA to study the feasibility and the merits of establishing a national training academy in south Florida for the above purposes. In completing such study, FEMA should consult with other agencies engaged in natural disaster response and assistance, and should take into account the activities of the Emergency Management Institute in Emmitsburg, Maryland. The conferees expect FEMA to report back to the Committees on Appropriations of the House and Senate by January 31, 2000.

EMERGENCY Y2K ASSISTANCE

The conferees agree not to establish a program of grants and loans to counties and local governments for expenses related to problems associated with the year 2000 date change as proposed by the Senate. This program was not included in the House bill.

SALARIES AND EXPENSES

Appropriates $180,000,000 for salaries and expenses as proposed by the Senate instead of $177,720,000 as proposed by the House. The conferees agree that the reduction from the budget request shall be applied to program offices in an equitable manner. FEMA is to provide a track of the funding reduction as part of its operating plan.

OFFICE OF INSPECTOR GENERAL

Appropriates $8,015,000 for the Office of Inspector General as proposed by the Senate instead of $6,515,000 as proposed by the House.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

Appropriates $267,000,000 for emergency management planning and assistance instead of $280,787,000 as proposed by the House and $255,850,000 as proposed by the Senate. The conferees have included language in the bill which authorizes and directs FEMA to extend its cooperative agreement for the Jones County, Mississippi emergency operating center, modified with a technical change from that proposed by the Senate.

The conferees agree that the amount provided includes $25,000,000 for pre-disaster mitigation activities and a reduction of $4,500,000 from the budget request for consolidated emergency performance grants. Unspecified reductions to the account are to be taken in an equitable manner except as provided below.

The conferees agree to make no specific reduction to the request for anti-terrorism activities. However, the conferees are concerned that the proliferation of anti-terrorism activities throughout the Federal government may give rise to duplication of efforts. FEMA is encouraged to take whatever action is required to ensure that its efforts do not duplicate the efforts of other Federal entities.

The conferees direct FEMA to ensure that, in exchange for the additional flexibility provided through the emergency management performance grants, States are held accountable for the funds by tying such funds to performance measures. FEMA is expected to provide adequate financial and programmatic accountability in order to demonstrate appropriate use of the funds.

The conferees agree to provide $400,000 for upgrades to the computer modeling capability of FEMA and the California Office of Emergency Services. Specifically, the Regional Assessment of Mitigation Priorities computer program is to be upgraded to evaluate earthquake disaster mitigation projects. The conferees also agree to provide $1,500,000 for the commercialization of emergency response technologies, to be performed by the National Technology Transfer Center, and $1,000,000 for the Operations Support Directorate to archive key agency documents by digitalization to optical disks.

The conferees agree with the Senate that the full budget request of $5,500,000 is to be provided for the dam safety program.

The conferees concur with House report language regarding an evacuation plan for the New Orleans area and direct FEMA to work with the Southeast Louisiana Hurricane Task Force and the Louisiana One Coalition on the preparation of this evacuation and recovery plan and report.

EMERGENCY FOOD AND SHELTER PROGRAM

Appropriates $110,000,000 for the Emergency Food and Shelter program as proposed by both the House and Senate. Includes language proposed by the Senate which makes the funds available until expended.

FLOOD MAP MODERNIZATION FUND

Appropriates $5,000,000 to establish the Flood Map Modernization Fund as proposed by the House. The Senate did not provide funding for this program. The conferees agree not to provide an earmark of $2,000,000 for the New York Department of Environmental Conservation from this fund.

NATIONAL INSURANCE DEVELOPMENT FUND

The conferees agree to bill language which cancels the indebtedness of the Director of FEMA. The House and Senate both included the provision, but with technical differences. The conferees agree to include the House language.

NATIONAL FLOOD INSURANCE FUND

The conferees have included bill language which authorizes the National Flood Insurance Program for fiscal year 2000. Without this authorization, new flood insurance policies could not be written throughout the fiscal year. In addition, the conferees direct FEMA to make $2,000,000 available to the New York Department of Environmental Conservation for initiating the Statewide Flood Plain Mapping Program. The House had proposed this earmark within the Flood Map Modernization Fund.

NATIONAL FLOOD MITIGATION FUND

Provides for the transfer of $20,000,000 from the National Flood Insurance Fund to the National Flood Mitigation Fund as proposed by the House. The Senate did not include a provision for the Fund.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Appropriates a total of $13,652,700,000 for the National Aeronautics and Space Administration, instead of $12,653,800,000 as proposed by the House and $13,578,400,000 as proposed by the Senate.

The conferees agree to retain the current NASA account structure for fiscal year 2000.

The conferees agree to include a general provision which provides indemnification and cross-waivers of liability with regard to experimental aerospace vehicle programs. The language is included as a general provision in title IV of the Act and is a modification of language included as part of the fiscal year 1999 appropriations Act. The conferees have also agreed to include a general provision which provides for a one year extension of indemnification for commercial space launches.

In addition, the conferees have agreed to include a general provision which authorizes NASA to carry out a program to demonstrate commercial feasibility and economic viability of private sector business operations involving the International Space Station.

The conferees believe that the International Space Station will be a catalyst for future economic development activity in low earth orbit. Therefore, the conferees have included bill language establishing a demonstration program intended to test the feasibility of commercial ventures using the station, and whether or not it is possible to operate the station in accordance with business practices. In order to encourage private investment and increase economic activity in low earth orbit, NASA may negotiate for payments, at a value set by the private market, and retain any funds received in excess of costs for re-investment in the station economic development program.

The demonstration program applies only to the transition period associated with station assembly and early operations—a period during which fledgling businesses will experience their first opportunity for sustainable, continuous access to orbital laboratories. The conferees expect NASA to refrain from picking winners and losers in this coming era and instead enable the power of the U.S. capital markets to come to bear on this new frontier of U.S. economic development.

The conferees intend that the results of this demonstration program—and lessons learned along the way—will be incorporated

into NASA's planning for long-term commercialization of the station, in concert with other ongoing activities such as the establishment of a non-government organization for station utilization and management.

Of the amounts approved in the following appropriations accounts, NASA must limit transfers of funds between programs and activities to not more than $500,000 without prior approval of the Committees on Appropriations. Further, no changes may be made to any account or program element if it is construed to be policy or a change in policy. Any activity or program cited in this report shall be construed as the position of the conferees and should not be subject to reductions or reprogramming without prior approval of the Committees on Appropriations of the House and Senate. Finally, it is the intent of the conferees that all carryover funds in the various appropriations accounts are subject to the normal reprogramming requirements outlined above.

HUMAN SPACE FLIGHT

Appropriates $5,510,900,000 for human space flight. The House had proposed $5,388,000,000 in this account. The Senate had proposed two new accounts, International Space Station and Launch Vehicles and Payload Operations, with a total of $5,638,700,000. Within the amount provided, the appropriation for space shuttle is $3,011,200,000, the appropriation for payload and utilization is $169,100,000, and the appropriation for space station development related activities is $2,330,600,000.

The amount provided for space shuttle operations is $25,000,000 greater than the budget request. The increase is provided for urgent safety upgrades for the shuttle and may be augmented with additional funding from shuttle operations if such funding is identified throughout the fiscal year. The conferees agree that NASA is to undertake upgrades that are necessary to ensure continued safe operation of the shuttle and NASA is to provide a report to the Committees on Appropriations which identifies proposed upgrades, a schedule for accomplishing the upgrades, and the cost associated with each upgrade. The report is to be provided to the Committees on Appropriations by February 1, 2000.

The conferees have included a proviso within the Human Space Flight account which reserves $40,000,000 for use only in connection with a shuttle science mission to be flown between the flight of STS–107 and December of 2001. The conferees have taken this action because of the belief that dedicated science missions must continue during the assembly of the International Space Station to ensure that the scientific community remains fully engaged in human space flight activities. Funding of $15,000,000 provided for the life and microgravity science program in fiscal year 1999 is to be used for STS–107 ($5,000,000) and for principal investigators associated with the dedicated flight which will occur before December, 2001 ($10,000,000).

The amount provided for the international space station program is $2,330,600,000, a decrease of $152,100,000 from the budget request. The reductions include a transfer of $17,100,000 to Mission Support to cover emergent personnel costs, a reduction of $100,000,000 from the funds requested for development of the crew return vehicle, and a general reduction of $35,000,000.

The conferees agree that international agreements to provide hardware for the space station should be binding and such agreements should be structured in such a way as to avoid complicating the assembly of the station. In order to be more fully informed on what potential problems may arise due to a reliance on foreign entities providing necessary hardware, NASA is directed to provide the Committees on Appropriations with a report on all external hardware components needed for the station that have been contracted for internationally, the schedule for delivery of these components, and the current status of each component with regard to completion and delivery.

The conferees agree that the two quarterly reports requested in the International Space Station section of the Senate report shall not be required. Instead, NASA shall provide a quarterly report, beginning on April 1, 2000 and every three months thereafter, which provides the status of station hardware construction and assembly, as well as associated costs. The report shall highlight schedule and cost variance relative to the schedule and cost included as the basis for the fiscal year 2000 budget request.

The conferees recognize the funds appropriated by this Act for the development of the International Space Station may not be adequate to cover all potential contractual commitments should the program be terminated for the convenience of the Government. Accordingly, if the Space Station is terminated for the convenience of the Government, additional appropriated funds may be necessary to cover such contractual commitments. In the event of such termination, it would be the intent of the conferees to provide such additional appropriations as may be necessary to provide fully for termination payments in a manner which avoids impacting the conduct of other ongoing NASA programs.

SCIENCE, AERONAUTICS AND TECHNOLOGY

Appropriates $5,606,700,000 for science, aeronautics and technology. The House had proposed $4,975,700,000 in this account and the Senate had proposed $5,424,700,000. The amount provided is $182,000,000 above the budget request. The amount provided consists of:

$2,197,850,000 for space science.

$277,200,000 for life and microgravity sciences.

$1,455,200,000 for earth sciences.

$1,158,800,000 for aeronautics and space transportation.

$406,300,000 for mission support.

$141,300,000 for academic programs.

$29,950,000 in general reductions.

The conferees are aware of a recent capabilities briefing that took place at NASA's Independent Verification and Validation (IV&V) Facility in conjunction with the quarterly Senior Management Council Meeting in June, 1999. The conferees understand that most NASA Center Directors or their designees were present at this briefing, as were the Assistant Administrators of the various NASA enterprises. The conferees expect substantial integration of the IV&V Facility into the NASA system, and in particular, the activities of the Goddard Space Flight Center (GSFC). This Center should take specific note of this opportunity due to its close proximity to the IV&V Facility. To these ends, the conferees direct the Administrator to report, in conjunction with GSFC and no later than June 1, 2000, on what new activities the various NASA Centers are initiating with the IV&V Facility.

The conferees are aware of the NASA Sounding Rocket Operations contract (NSROC) competitive procurement for rocket systems now underway, and see this as an excellent opportunity to invigorate the domestic sounding rocket industry, which has languished in recent years. Therefore, NASA is directed to instruct the NSROC contractor to choose the best domestic competitor for this procurement, if the NASA Administrator determines the competitor has satisfied the requirements of the contract.

The conferees are concerned that the large amount of data being collected as part of NASA science missions is not being put to the best possible use. To allay these concerns, the conferees direct NASA to contract with the National Research Council for the study of the availability and usefulness of data collected from all of NASA's science missions. The study should also address what investments are needed in data analysis commensurate with the promotion of new missions.

The conferees note that the fiscal year 1998 Statement of Managers (House Report 105–297) outlined a change in the allocation of advanced technology funding for space science so that 75 percent of all such funding would be done competitively through an announcement of opportunity. The conferees urge NASA to continue its efforts to reach the 75 percent target in a manner that does not undermine the core competencies of the NASA centers. Furthermore, the conferees direct NASA to present a plan to the Committees on Appropriations by February 1, 2000 that details how the agency will meet the 75 percent goal for both space and earth sciences and preserve core competencies at NASA Centers. The plan should also articulate how non-competitive funding will be allocated, by Center, to preserve core competencies. In addition, the report shall include a plan to link NASA Centers with relevant academic laboratories to enhance Center capabilities and core competencies.

The conferees direct NASA to submit project status reports on a quarterly basis for all space and earth science missions. The project status reports must include all projects in either phase B or phase C/D status and all mission operations and data analysis funding. The reports must also include all advanced technology funding by subprogram activity and future flight profile, and salary and expense costs. The conferees further expect NASA to include in these quarterly project status reports a review of any mission or project that is exceeding its annual or aggregate budget by more than 15 percent. This review shall include a status report on the feasibility of the mission or project, the reasons for the cost overrun, and a cost containment plan, in cases where NASA has determined to continue the mission or project. The conferees have included this reporting requirement as an alternative to the Senate recommendation that NASA missions and projects be terminated where their costs exceed their budget by 15 percent.

The conferees believe NASA should seek further opportunities to expand the scope of the Consolidated Space Operations Contract as a means to achieve additional savings for the agency and the taxpayer. Thus far, large portions of the deep space network (DSN) and related mission operations infrastructure have been exempted from CSOC. Therefore, the conferees direct NASA's space operations management office (SOMO) to undertake a study, to be submitted to the Committees on Appropriations by February 8, 2000, that evaluates transferring all remaining non-CSOC work in the telecommunications and mission operations directorate (TMOD), including all work designated for mission operations partnership services (MOPS), Jet Propulsion Lab (JPL) mission services, DSN operations architecture development and the deep space network services management system (DSMS) to the CSOC contract.

The space operations management office should identify and compare the full and total existing direct and indirect cost of the TMOD workforce with the projected cost of this workforce when transferred to CSOC on October 1, 2000. The transfer and cost analysis shall include all positions in the entire

TMOD base, including employees assigned to specific flight projects, data services, mission services and research and development costs related to the deep space network operations infrastructure. Cost calculations for determining the existing full costs of TMOD shall utilize the rates and estimates stated in the FY 99–01 JPL Cost Estimation Rates and Factors Manual and shall include direct labor, fringe benefits, leave, vacation pay, and full burden rates applied to the work performed at JPL. The full JPL burden rate calculation for estimating current TMOD costs shall follow precisely all terms and rates stated in the FY 99–01 JPL Cost Estimation Rates and Factors Manual.

Specific program adjustments are outlined below.

SPACE SCIENCE

The conferees agree to the following changes to the budget request:

1. Reduce funding for future planning for the Explorer program by $6,100,000. The conferees direct NASA to ensure that this reduction will not impact the current Explorer announcement of opportunity selection, ensuring that there will be two awards made for the mid-explorer competition.

2. Reduce funding for future planning for the Discovery program future mission by $23,700,000. The conferees expect that this reduction will not adversely impact funds available for Contour, Messenger and Deep Impact so that each can launch on its current schedule. In addition, the conferees expect that there will be sufficient funds in fiscal year 2000 to extend NEAR operations to correspond to next year's encounter with the Eros asteroid.

3. Reduce funding for Mars missions by $22,800,000. The conferees have made this adjustment without prejudice in light of the recent failure of this mission. The Committees on Appropriations are troubled by this second failure of a Mars orbiting spacecraft in recent years and expect a complete report on the cause of the most recent failure and what corrective actions NASA will take to prevent a failure on subsequent Mars missions. This report is due within 180 days of enactment of this Act.

4. Reduce funding for supporting research and technology by $4,400,000.

5. A reduction of $37,400,000 in the funding for the Champollion mission due to cancellation of the mission.

6. A reduction of $100,000 to finance personnel related expenses. These funds are provided within the Mission Support account.

7. An increase of $8,000,000 for Space Solar Power.

8. An increase of $2,000,000 for the Science Center at Glendale Community College.

9. An increase of $1,500,000 for the Louisville Science Center.

10. An increase of $1,500,000 for the Science Center Initiative at Ohio Wesleyan University.

11. An increase of $5,000,000 for the Polymer Energy Rechargeable System (PERS). The conferees recognize the leadership of NASA Glenn in battery technology development and encourage NASA to continue this program. Working with scientists at Wright Patterson Air Force Base, the PERS program will develop significant space, defense, and commercial applications and therefore should continue at NASA Glenn.

12. An increase of $2,000,000 for the center on life in extreme thermal environments at Montana State University in Bozeman.

13. An increase of $3,000,000 for the Adler Planetarium in Chicago, Illinois.

14. NASA is directed to provide an increase of $10,000,000 for fundamental physics research.

15. An increase of $23,000,000 for science costs related to the next servicing mission of the Hubble Space Telescope. The conferees are aware of the strong support in the scientific community for proceeding with the infrared channel on Wide Field–3 Camera. The conferees have provided sufficient resources in fiscal year 2000 to begin work on its development so that it will be ready for the final servicing mission now scheduled for Hubble in the 2002–03 timeframe.

16. An increase of $21,000,000 for the Sun-Earth Connections program, including an increase of $15,000,000 for STEREO and $6,000,000 for advanced technology for post-STEREO missions.

17. An increase of $3,000,000 for the development of STEP-Air SEDS, an electrodynamic tether facility to place and manipulate satellites in their orbits without the use of chemical propellants. To the extent this is a viable and useful technology, it is expected that NASA will include the necessary funds in the fiscal year 2001 budget.

18. An increase of $1,000,000 for a satellite telescope at Western Kentucky University.

19. An increase of $4,000,000 for the SciQuest hands-on science center in Huntsville, Alabama.

20. An increase of $2,000,000 for research into advanced hardware and software technologies at Montana State University, Bozeman.

21. An increase of $2,500,000 for the Bishop Museum.

22. An increase of $1,000,000 for the Chabot Observatory, Oakland, California.

23. An increase of $4,000,000 for the Green Bank Radio Telescope Museum.

24. An increase of $750,000 for the Museum of Discovery and Science in Ft. Lauderdale, Florida.

25. An increase of $500,000 for the Science and Technology Museum, Discovery Place in Charlotte, North Carolina.

LIFE AND MICROGRAVITY SCIENCES

The conferees have included a provision in the Human Space Flight account which calls for two science missions prior to December of 2001. The first mission, STS–107 will utilize up to $5,000,000 of the amounts provided in this account in fiscal year 1999. The remaining $10,000,000 from the fiscal year 1999 appropriation is to be used to finance principal investigators affiliated with the second science mission.

The conferees agree to the following changes to the budget request:

1. An increase of $14,000,000 for infrastructure needs at the University of Missouri, Columbia.

2. An increase of $1,000,000 for the ''Garden Machine'' program at Texas Tech University.

3. An increase of $4,000,000 for the Space Radiation program at Loma Linda University Hospital.

4. An increase of $2,000,000 for the Neutron Therapy Facility at Fermi Lab.

EARTH SCIENCES

The conferees have not terminated the Triana program as the House had proposed. Instead, the conferees direct NASA to suspend all work on the development of the Triana satellite using funds made available by this appropriation until the National Academy of Sciences (NAS) has completed an evaluation of the scientific goals of the Triana mission. The conferees expect the NAS to move expeditiously to complete its evaluation. In the event of a favorable report from the NAS, NASA may not launch Triana prior to January 1, 2001. The conferees have no objection to NASA's reserving funds made available by this appropriation for potential termination costs. The conferees recognize that, if a favorable report is rendered by the NAS, there will be some additional cost resulting from the delay.

The conferees agree with the House language directing NASA to develop a five-year plan detailing a robust program for Code Y utilization of unmanned aerial vehicles (UAVs). The conferees expect NASA to move ahead with the UAV Science Demonstration Program as detailed in the fiscal year 2000 budget justification, and to request fiscal year 2001 funding for this program in conformity with the five-year plan.

The conferees do not agree with the Senate directive to provide a report on the commercialization of EOSDIS data.

The conferees agree that NASA is to submit a report by March 15, 2000 on an EOS–II strategy that articulates in detail the NASA plan for earth science through fiscal year 2010.

The conferees direct NASA, in conjunction with the National Science Foundation, the Environmental Protection Agency, and the Federal Emergency Management Agency, to report by April 15, 2000 on a plan to demonstrate the potential benefits of remote sensing.

The conferees agree to the following changes to the budget request.

1. An increase of $2,000,000 for a Remote Sensing Center for Geoinformatics at the University of Mississippi.

2. An increase of $1,000,000 for the Advanced Tropical Remote Sensing Center of the National Center for Tropical Remote Sensing Applications and Resources at the Rosenstiel School of Marine and Atmospheric Science.

3. An increase of $10,000,000 for the Regional Application Center in Cayuga County, New York.

4. An increase of $2,500,000 for a joint U.S./Italian space-based research initiative for the study and detection of forest fires.

5. An increase of $3,000,000 for continuation of programs at the American Museum of Natural History.

6. An increase of $1,500,000 for a remote sensing center at the Fulton-Montgomery Community College in New York. The center is to work through the Regional Application Center at Cayuga County, New York.

7. An increase of $1,000,000 for continued development of nickel metal hydride battery technology.

8. An increase of $31,000,000 for the EOSDIS Core System.

9. An increase of $2,000,000 for the Advanced Fisheries Management Information System, of which $500,000 is to be used to develop a companion program at the University of Alaska, Fairbanks.

10. An increase of $2,000,000 for the EOS National Resource Training Center at the University of Montana, Missoula.

11. An increase of $1,000,000 for the PIPELINE project at Iowa State University and Southern University, Baton Rouge.

12. An increase of $7,000,000 to the EOSDIS Core System to develop additional uses for NASA's Earth Observing System to make data more readily available for potential user communities.

13. An increase of $1,000,000 for the Field Museum for the ''underground adventure'' exhibit.

14. An increase of $2,000,000 for research in remote sensing applications at the University of Missouri, Columbia.

15. An increase of $300,000 for the State University of New York College of Environmental Sciences and Forestry for a remote sensing applications project.

16. A decrease of $20,000,000 from the LightSAR program. The conferees agree that NASA's action to terminate the LightSAR program has resulted in a missed opportunity by failing to recognize the commitment to commercial investment and significant interest shown by private industry in the current structure of the program. LightSAR continues to offer tremendous potential for a number of practical applications, most particularly as an all-weather

method for remote sensing of the Earth's surface. The conferees direct NASA to review the history of this program and report to the Congress by February 1, 2000 on actions the agency can undertake to support industry-led efforts to develop an operational synthetic aperture radar capability in the United States, with particular focus on NASA as a data customer.

17. A decrease of $23,500,000 from reserves being held for the PM–1 mission.

18. A decrease of $5,700,000 from algorithm development.

19. A decrease of $22,000,000 from the funding requested for EOS special spacecraft.

AERONAUTICS AND SPACE TRANSPORTATION

The conferees agree that an independent review of NASA's decision to terminate the High Speed Research and Advanced Subsonic Technology programs is necessary. The conferees direct the Office of Science and Technology Policy to conduct such a review which should address the overall impact of these terminations on the United States aviation industry as well as the impact on the core competencies of NASA centers. The review should also address the merits of NASA undertaking a program to improve aircraft safety and reduce aircraft noise emissions. The conferees direct that this report be completed no later than July 1, 2000.

The conferees are aware of NASA's recent ERAST research announcement to bid competitively, important technology thrusts for combustible fuel vehicle research, with the goal of providing unmanned aerial vehicle (UAV) platforms to meet Code Y requirements by fiscal year 2002. The conferees are equally supportive of NASA's plan for flight testing as part of the solar-electric airplane program at the Pacific Missile Range Facility (PMRF). Therefore, the conferees expect NASA to balance carefully these two important initiatives. Furthermore, NASA should remain sensitive to transition funding for the partners of the ERAST Alliance during this period, such that past NASA investments in these partners is not undermined.

The conferees are aware of the many successful technology transfer arrangements negotiated in rural states through the NASA Techlink program and expect NASA to continue the program at the current level.

The conferees are concerned that significant reductions in NASA's budget request for rotorcraft research will undermine the core competencies in this technology at the Glenn and Langley research centers. The conferees believe that NASA should take into consideration the valuable service these centers provide to the Department of Defense for its Joint Transport Rotorcraft and tiltrotor programs and take efforts to ensure the centers retain their expertise in rotorcraft research.

The conferees agree to the following changes to the budget request:

1. An increase of $20,000,000 for Ultra Efficient Engine Technology.

2. An increase of $1,800,000 for phase two of the synthetic vision information system being tested at the Dallas-Ft.Worth Airport.

3. An increase of $1,200,000 for continued support of the Dynamic Runway Occupancy Measurement System demonstration at the Seattle-Tacoma Airport.

4. An increase of $2,000,000 to facilitate the acquisition of a 16 beam SOCRATES system and integration of SOCRATES into the AVOSS program.

5. An increase of $10,000,000 for the Trailblazer program at the Glenn Research Center.

6. An increase of $1,000,000 for the Institute for Software Research to continue its collaborative effort with NASA-Dryden, focusing on adaptive flight control research, including a flight control upgrade to the F–15 Active.

7. An increase of $1,500,000 for the Software Optimization and Reuse Technology program.

8. An increase of $2,000,000 for the establishment of the NASA-Illinois Technology Commercialization Center as an extension of the Midwest Regional Technology Transfer Center, to be located at the DuPage County Research Park.

9. An increase of $1,000,000 for Miami-Dade Community College-Homestead Campus to develop a technology-oriented business incubator in Homestead, Florida.

10. An increase of $2,000,000 for the Earth Alert program for a test of the system throughout the State of Maryland.

11. An increase of $1,500,000 for the National Technology Transfer Center, to bring total funding for the center up to $7,200,000.

12. An increase of $500,000 to study aircraft cabin air quality at the Education and Research Center for Occupational Safety and Health in Baltimore, Maryland.

13. An increase of $80,000,000 for Space Liner 100 efforts.

14. An increase of $1,500,000 for the Western Environmental Technology Office, Butte Montana.

15. An increase of $5,000,000 for the National Center for Space Technology.

16. An increase of $3,000,000 for enhanced vision system technology development.

17. An increase of $20,000,000 for efforts related to aircraft noise reduction.

18. An increase of $1,000,000 for the Institute for Software Research, for the modeling and simulation of electromagnetic phenomena for alternative space propulsion concepts.

19. An increase of $200,000 for the Garret Morgan Initiative in Ohio.

20. A decrease of $2,900,000 for personnel related expenses, transferred to Mission Support.

MISSION COMMUNICATIONS

The conferees have provided $406,300,000 for Mission Communications, the same amount as provided by the House and Senate.

ACADEMIC PROGRAMS

The conferees have agreed to the following changes to the budget request:

1. An increase of $6,500,000 for the National Space Grant College and Fellowship Program, for a total of $19,100,000.

2. An increase of $1,500,000 for the Franklin Institute for development of an exhibit on astronomy.

3. An increase of $2,300,000 for the JASON Foundation's JASON XI expedition, ''Going to Extremes.''

4. An increase of $1,000,000 for the Carl Sagan Discovery Center at the Children's Hospital at Montefiore Medical Center.

5. An increase of $4,000,000 for the Texas Learning and Computational Center at the University of Houston.

6. An increase of $4,000,000 for the Space Science Museum and Educational Program at Downey, California. The conferees are concerned about the transfer of NASA property at the space shuttle manufacturing facility in Downey, California to the City when the contractor leaves the facility at the end of the year. The conferees endorse the process established by GSA for disposal of historic artifacts at the facility, specifically, the space shuttle mock-up and astronaut footprints. The conferees do not intend to circumvent this process, but the conferees agree that GSA should take into consideration the historical significance of these artifacts at the Downey site, a significance that would be lost if the artifacts were to move to a different location.

7. An increase of $2,000,000 for the Ohio View Project.

8. An increase of $2,000,000 for continued academic and infrastructure needs related to the computer sciences, mathematics and physics building at the University of Redlands.

9. An increase of $5,400,000 for the EPSCoR program.

10. An increase of $1,000,000 for the Science Learning Center in Kenai, Alaska.

11. An increase of $2,000,000 for the Lewis and Clark Rediscovery Web Technology Project.

12. An increase of $1,000,000 for the Science Museum at Spelman College.

13. An increase of $7,600,000 for Minority University Research and Education projects, including $1,000,000 to provide support for the establishment of a Center of Excellence in Mathematics and Science at Texas College.

14. An increase of $500,000 for the University of San Diego for a Science and Education Center.

15. An increase of $500,000 for the City of Ontario, California for the development of a Science and Technology Learning Center.

16. The conferees agree to provide the budget request of $2,000,000 for the Classroom of the Future project.

MISSION SUPPORT

Appropriates $2,515,100,000 for mission support instead of $2,269,300,000 as proposed by the House and $2,495,000,000 as proposed by the Senate. The amount provided includes an increase of $20,200,000, derived from other accounts, to cover emergent personnel related requirements including lower than anticipated personnel retirements and government-wide pay rate changes.

The conferees continue to prohibit the use of funds appropriated or otherwise made available to the National Aeronautics and Space Administration by this Act, or any other Act enacted before the date of enactment of this Act, by the Administrator of NASA to relocate aircraft of the National Aeronautics and Space Administration based east of the Mississippi River to the Dryden Flight Research Center in California.

OFFICE OF INSPECTOR GENERAL

Appropriates $20,000,000 for the Office of Inspector General as proposed by the Senate, instead of $20,800,000 as proposed by the House.

ADMINISTRATIVE PROVISONS

Deletes language proposed by the House which directed NASA to develop a revised appropriations structure for fiscal year 2001.

Deletes language proposed by the Senate which directed NASA to terminate any program which experienced a cost growth of 15 percent.

Inserts a new general provision which limits the amounts NASA may use for the International Space Station.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

Appropriates $1,000,000 for the National Credit Union Administration for the Community Development Revolving Loan Program for credit unions, as proposed by the House instead of no funding as proposed by the Senate.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

Appropriates $2,966,000,000 for research and related activities instead of $2,768,500,000 as proposed by the House and $3,007,300,000 as proposed by the Senate. Bill language provides up to $253,000,000 of this amount for Polar research and operations support.

The conferees have included bill language which specifies that $60,000,000 of appropriated funds are to be for a comprehensive research initiative on plant genomes for economically significant crops. Language has

also been included which prohibits NSF from obligating or expending funds to enter into or extend a grant, contract, or cooperative agreement regarding the administration of the domain name and numbering system of the Internet.

Finally, the conferees have agreed to bill language which: (1) prohibits funds spent in this or any other Act to acquire or lease a research vessel with ice-breaking capability built or retrofitted outside of the United States if such a vessel of United States origin can be obtained at a cost of not more than 50 per centum above the cost of the least expensive, technically acceptable, non-United States vessel; (2) requires that the amount of subsidy or financing provided by a foreign government, or instrumentality thereof, to a vessel's construction shall be included as part of the total cost of such vessel; and (3) provides that should a U.S. vessel as set forth in the foregoing language not be available for leasing for the austral summer Antarctic season of 2002–2003, and thereafter, a vessel of any origin can be leased for a period not to exceed 120 days of that season until delivery of such a United States vessel occurs.

The conference agreement provides an increase of $196,000,000 above the fiscal year 1999 appropriated level for research and related activities, $90,000,000 of which is to be used within the Computer and Information Sciences and Engineering (CISE) directorate and $106,000,000 of which is for the remaining directorates, including Integrative Activities.

With regard to the additional funds provided for CISE, the conferees expect the Foundation to support individual and team research projects related to information technologies, specifically in the areas recommended in the PITAC report and in H.R. 2086. Among the most important of these are software research, scalable information infrastructure, software design, stability, security and reliability, as well as the need to acquire high-end computing equipment. In addition, the conferees expect an appropriate level of funding be provided for research to study privacy and access to information, and to further the understanding of the impact information technology advances have on issues that are of significant societal, ethical, and economical importance. Finally, as the NSF prepares to release CISE research funds through its normal competitive process, the conferees strongly encourage that an increased ratio of grants be issued at higher funding levels and for longer duration.

Within the amounts made available to all other directorates, $50,000,000 is for the new Biocomplexity Initiative. All other programs within the Integrative Activities directorate, except the Opportunity Fund, have been funded at the budget request. The Opportunity Fund has, without prejudice, not been funded for fiscal year 2000.

The NSF is directed to provide up to $5,000,000 for the National Oceanographic Partnership Program, and is further directed to contract with a non-federal entity to carry out a review of the merit review process of the Foundation. This review is to be completed and submitted to the Committees on Appropriations within eleven months of enactment of this Act.

The conferees have provided $25,000,000 for Arctic research support and logistics, an increase of $3,000,000 above the budget request. The conferees expect the Foundation, in conjunction and in close cooperation with the Interagency Arctic Research and Policy Committee to develop a multi-year, multi-agency plan for the implementation of joint United States-Japan Arctic research activities as envisioned by the March 1997 science and technology section of the Common Agenda agreed to by the United States and Japan. In this regard, the conferees expect the Foundation to provide up to $5,000,000 from within available funds for logistical activities in support of United States-Japan international research activities related to global climate change.

Consistent with a directive of the Senate to strengthen international cooperation in science and engineering, the conferees encourage NSF to consider providing from within available funds up to $3,000,000 to strengthen cooperative research activities between the United States and the former Soviet Union through the Civilian Research and Development Foundation.

Except as previously noted, the conferees expect that the remaining additional funds will be distributed proportionately and equitably, consistent with the ratio of the budget request level above the fiscal year 1999 funding level, among all of the remaining directorates, and request that such distribution be specifically noted in the fiscal year 2000 Operating Plan submission.

The conferees commend the Foundation for its support of the National High Magnetic Field Laboratory (NHMFL) located in Tallahassee, Florida. That laboratory is an excellent example of a facility that has worked closely with teams of academic and industrial scientists from throughout the United States and abroad. The conferees strongly support the work of this important national facility and commend the NSF for its increased support and interest in the work of the NHMFL.

Finally, pursuant to recommendations made by the federally-mandated National Gambling Impact Study Commission, the conferees encourage the NSF to explore the feasibility of establishing a multi-disciplinary research program that will estimate the benefits and costs of gambling.

MAJOR RESEARCH EQUIPMENT

Appropriates $95,000,000 for major research equipment instead of $56,500,000 as proposed by the House and $70,000,000 as proposed by the Senate.

The conference agreement provides the budget request level for all projects within the MRE account, including $36,000,000 for the development and construction of a new, single site, five teraflop computing facility. The conferees expect that the competition for this project will allow for significant participation by universities and other institutions throughout the country, and will have as its goal completion of such a facility within 16 months of enactment of this Act. The conferees further expect the Foundation to provide regular, informal reports as to the progress of this project, including the funding requirements necessary to complete five teraflop capability.

The conference agreement also provides $10,000,000 to begin production of the High-Performance Instrumented Airborne Platform for Environmental Research (HIAPER). This new high-altitude research aircraft will, upon its completion, be available to support critical and outstanding atmospheric science research opportunities over the next 25 to 30 years.

EDUCATION AND HUMAN RESOURCES

Appropriates $696,600,000 for education and human resources instead of $660,000,000 as proposed by the House and $688,600,000 as proposed by the Senate.

Within this appropriated level, the conferees have provided $55,000,000 for the Experimental Program to Stimulate Competitive Research (EPSCoR) to allow for renewed emphasis on research infrastructure development in the EPSCoR states, as well as to permit full implementation awards to states which have research proposals in the planning process. In addition, the conferees have provided $10,000,000 to initiate a new Office of Innovation Partnerships. This new office, in addition to housing the EPSCoR program, will examine means of helping those non-EPSCoR institutions receiving among the least federal research funding expand their research capacity and competitiveness so as to develop a truly national scientific research community with appropriate research centers located throughout the nation.

The conferees expect that funds for these two efforts will be included in a single program office within the EHR account, under the direct supervision of the Director's office. Building upon the EPSCoR experience, the conferees also expect the new office to work with CISE to insure that all areas of the country share in advanced networking and computing activities, especially rural and insular areas with research institutions. Assistance in developing scientific research applications for use on the computing and networking systems now available as a result of earlier NSF programs is a high priority in the EPSCoR states. The conferees also expect the new office to coordinate with all research and related activities directorates.

The conference agreement also provides $10,000,000 for Historically Black Colleges and Universities through the underrepresented population undergraduate reform initiative, including $8,000,000 from the EHR account and $2,000,000 from the RRA account. Similarly, the conferees have provided the budget request level of $46,000,000 for the Informal Science Education (ISE) program. This program has acted as a catalyst for increasing the public's appreciation and understanding of science and technology in settings such as science centers, museums, zoos, aquariums, and public television. The ISE program has also been involved in the professional development of science teachers. The conferees continue to support this important program, including its focus for fiscal year 2000 on increasing access to informal learning opportunities in inner cities and rural areas that have received little exposure to science and technology.

Except as previously noted, the conferees expect that the remaining additional funds will be distributed proportionately and equitably, consistent with the ratio of the budget request level above the fiscal year 1999 funding level, among all of the remaining directorates, and request that such distribution be specifically noted in the fiscal year 2000 Operating Plan submission.

SALARIES AND EXPENSES

Appropriates $149,000,000 for salaries and expenses instead of $146,500,000 as proposed by the House and $150,000,000 as proposed by the Senate. Consistent with the position of the Senate, the conferees direct the Foundation to fund program travel only from within the salaries and expenses account. Additionally, the conferees urge the Foundation to improve its oversight activity of its many programs, using available funds from within this account.

OFFICE OF INSPECTOR GENERAL

Appropriates $5,450,000 for the Office of Inspector General instead of $5,325,000 as proposed by the House and $5,550,000 as proposed by the Senate. The conferees expect the OIG to increase efforts in the areas of cost-sharing, indirect costs, and reducing misconduct in scientific research.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriates $75,000,000 for the Neighborhood Reinvestment Corporation instead of $80,000,000 as proposed by the House and $60,000,000 as proposed by the Senate.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriates $24,000,000 for salaries and expenses instead of $7,000,000 for termination costs as proposed by the House and $25,250,000 as proposed by the Senate.

TITLE IV—GENERAL PROVISIONS

Retains language proposed by the Senate permitting EPA appropriations to be used for comprehensive conservation and management plans.

Deletes language proposed by the House and stricken by the Senate providing for a rescission of Tennessee Valley Authority borrowing authority.

Inserts and modifies language proposed by the Senate to hereafter authorize the use of funds for the United States/Mexico Foundation for Science. Inserts new language renaming the Foundation the ''George E. Brown United States/Mexico Foundation for Science.''

Deletes language proposed by the House and stricken by the Senate prohibiting the use of funds by the EPA to publish or issue assessments under the Global Change Research Act unless certain conditions are met. The conferees have addressed this issue in the EPA Environmental Programs and Management account under title III.

Deletes language proposed by the House and stricken by the Senate expressing House support for the improvement of health care services in rural areas. Similar language is included in the Administrative Provisions section of title I.

Restores language proposed by the House and stricken by the Senate expressing the sense of the Congress that honor guards at a veteran's funeral is a benefit that a veteran has earned.

Deletes language proposed by the House and stricken by the Senate reducing certain accounts within the bill by $7,000,000 and increasing another account by a like amount.

Deletes language proposed by the Senate prohibiting the use of funds to carry out Executive Order 13083.

Inserts language proposed by the Senate prohibiting HUD from using funds for any activity in excess of amounts set forth in the budget estimates.

Inserts modified language proposed by the Senate prohibiting the use of funds for the purpose of lobbying or litigating against any Federal entity or official, with certain exceptions.

Deletes language proposed by the Senate prohibiting the obligation of any funds after February 15, 2000 unless each department provides a detailed justification for all salary and expense activities for fiscal years 2001–2005.

Inserts modified language proposed by the Senate amending section 101 (20)(D) of CERCLA to stipulate that law enforcement agencies shall not be considered owners or operators following seizure of properties needing certain environmental cleanup response.

Inserts modified language proposed by the Senate prohibiting the use of funds for any activity or publication or distribution of literature that is designed to promote public support or opposition to any legislative proposal on which Congressional action is not complete.

Deletes language proposed by the Senate redesignating an economic development grant for Kohala, Hawaii. The conferees have included this provision in title II of the bill.

Deletes language proposed by the Senate prohibiting the movement of NASA aircraft from the Glenn Research Center to any other field center.

Deletes language proposed by the Senate establishing a GAO study of the Federal Home Loan Bank system capital structure.

Deletes language proposed by the Senate expressing the sense of the Senate regarding aeronautics research. This issue has been addressed in the NASA section of title III.

Deletes language proposed by the Senate directing the EPA Administrator to develop a compliance plan for the underground storage tank program. This issue was addressed in the EPA Leaking Underground Storage Tank Program under title III.

Inserts modified language proposed by the Senate extending the comment period on the proposed rule related to section 303(d) of the Clean Water Act by 90 days. The conferees agree that nothing in this language is intended to limit EPA's administrative authority to extend the comment period beyond this 90 day period.

Inserts language proposed by the Senate extending the authority of 16 U.S.C. 777c(a) through calendar year 2000.

Inserts modified language proposed by the Senate prohibiting EPA from promulgating the Phase II stormwater regulations until the Administrator submits a report to the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure.

Inserts language proposed by the Senate prohibiting the EPA's expenditure of funds to promulgate a final regulation to implement changes in the payment of pesticide tolerance fees for fiscal year 2000. The conferees support and encourage EPA and the industry's joint effort to develop a comprehensive fee-for-service proposal to provide the necessary additional resources for registration and tolerance actions coupled with EPA performance enhancements, milestones, and accountability. The conferees expect that this fiscal year 2000 prohibition will not be repeated in future years. The conferees direct that the EPA not reduce its effort to approve both pesticide reassessments and approval of new applications at a pace presumed in the budget submittal.

Inserts language amending section 70113(f) of title 49, U.S.C., providing for a one year extension of indemnification for commercial space launches.

Inserts language providing the National Aeronautics and Space Administration with authority to establish a demonstration program regarding the commercial feasibility of private sector business operations involving the International Space Station.

Inserts language repealing section 431 of Public Law 105–276 and amending the National Aeronautics and Space Act of 1958 to allow for insurance, indemnification, and liability protection for experimental aerospace vehicle developers.

TITLE V—PRESERVATION OF AFFORDABLE HOUSING

OVERVIEW

Title V combines certain provisions from three bipartisan House housing bills (including H.R. 202 ''Preserving Affordable Housing for Senior Citizens into the 21st Century Act,'' introduced by Reps. James A. Leach and Rick Lazio, H.R. 1336 ''Emergency Resident Protection Act of 1999'', introduced by Reps Leach, Lazio and James T. Walsh, and H.R. 1624 ''Elderly Housing Quality Improvement Act'', introduced by Reps. John J. LaFalce, Barney Frank and Bruce Vento) and the title is designed to address a potentially crisis-level loss of affordable housing for seniors, individuals with disabilities and other vulnerable families. The consolidate House bill passed the U.S. House of Representatives on September 27, 1999 by a vote of 405 to 5. In addition, this title is consistent with a number of provisions contained in S. 1319, the ''Save My Home Act'', legislation introduced by Senators Kit Bond and Wayne Allard which is designed to address the section 8 opt out problem. The Senate VA/HUD FY 2000 appropriations bill also includes authority on section 202 and assisted living units.

The legislation protects existing residents of Federal-assisted housing from being forced to move from their homes in the face of market-rate rent increases; preserves the housing as affordable itself where appropriate by emphasizing renewal at market-rate rents for developments that serve seniors or persons with disabilities or in other circumstances where there is risk of loss of an important affordable housing resource; and provides flexibility for the conversion of housing to assisted living environments to allow seniors to ''age in place.''

Title V represents a consensus between the House and Senate VA/HUD Appropriations subcommittees as well as the House Banking Committee. The references to conferees herein reflect the views of all these parties.

SECTION BY SECTION: ''PRESERVING AFFORDABLE HOUSING FOR SENIOR CITIZENS INTO THE 21ST CENTURY''

Section 501. Short title and table of contests

Titled cited as ''Preserving Affordable Housing for Senior Citizens into the 21st Century Act''.

Section 502. Regulations

Provides that the HUD Secretary shall issue regulations necessary to carry out the provisions of the Act only after notice and opportunity for public comment.

Section 503. Effective date

Provisions of the Act are effective as of the date of enactment unless such provisions specifically provide for effectiveness or applicability upon another date. The authority to issue regulations to implement this Act shall not be construed to affect the effectiveness or applicability of the bill as of the effective date.

Subtitle A—Authorization of Appropriations for Supportive Housing for the Elderly and Persons With Disabilities

Section 511. Supportive housing for elderly persons

Provides annual authorization of appropriation of $710 million for existing program of supportive housing for the elderly (section 202) for FY2000.

Section 512. Supportive housing for persons with disabilities

Provides annual authorization of appropriation of $201 million for supportive housing for the disabled (section 811) for FY2000.

Section 513. Service coordinators and congregate services for elderly and disabled housing

Provides annual authorization of appropriation of $50 million for grants for service coordinators for certain federally assisted multifamily housing projects for FY2000.

Subtitle B—Expanding Housing Opportunities for the Elderly and Persons With Disabilities

Section 521. Study of debt forgiveness for section 202 loans

Requires the Secretary to conduct a study of the net impact on the Federal budget deficit or surplus of making available, on a one-time basis, debt forgiveness relating to remaining principal and interest from Section 202 loans with a dollar-for-dollar reduction of rental assistance amounts under the Section 8 rental assistance program.

Section 522. Grants for conversion of elderly housing to assisted living facilities

Authorizes grants to convert and repair elderly affordable housing projects to assisted living facilities. Authorizes such sums as may be necessary for fiscal year 2000.

Section 523. Use of section 8 assistance for assisted living facilities

Provides that a recipient of Section 8 housing assistance may use such assistance in an assisted living facility.

Section 524. Size limitation for projects for persons with disabilities

Provides that of any amounts made available in any fiscal year for capital advances or project rental assistance under this section, not more than 25% may be used for supportive housing which contains more than 24 separate dwelling units. Requires the Secretary to study and submit a report to Congress regarding the extent to which the authority of the Secretary under Section 811(k)(4) of the Cranston Gonzalez National Affordable Housing Act has been used to provide assistance to supportive housing projects for persons with disabilities having more than 24 units

Section 525. Commission on Affordable Housing and Health Care Facility Needs in the 21st Century

Establishes a commission to be known as the Commission on Affordable Housing and Health Care Facility Needs in the 21st Century. The Commission shall provide an estimate of the future needs of seniors for affordable housing and assisted living and health care facilities, identify methods of encouraging private sector participation and investment in affordable housing, and perform other matters relating to housing the elderly.

Subtitle C—Renewal of Expiring Rental Assistance Contracts and Protection of Residents

Section 531. Renewal of expiring contracts and enhanced vouchers for project residents

Unless otherwise provided, for expiring Section 8 properties that have current rents below comparable market rents for the area and that meet certain criteria set out in the bill, the Secretary of HUD is directed upon renewal of such Section 8 contracts to set rents at comparable market rent levels. For those expiring Section 8 contracts that have rent levels above comparable market rents but are not being restructured, the Secretary upon renewal shall set these rents at comparable market rents. With regard to those expiring Section 8 contracts for multifamily housing projects that are not eligible multifamily housing project[s] under Section 512(2) of the Multifamily Assisted Housing Reform and Affordability Act (MAHRA) or that are exempt from mortgage restructuring pursuant to section 514(h) of MAHRA, upon the request of the owner, renewal rents shall be set at the lesser of existing rents, adjusted by an operating cost adjustment factor, or a rent level that provides income sufficient to support a budget-based rent.

Directs the Secretary of Housing and Urban Development to provide ''enhanced vouchers'' to residents residing in a property upon the date of the expiration of a federally-assisted housing contract that is not renewed. Enhanced vouchers allow increased assistance for residents in cases where rents increase as a result of the project owner's decision to opt-out of the Section 8 program, therefore ensuring that the resident may continue to reside in the unit. Authorizes such sums as may be necessary for enhanced voucher assistance for fiscal years 2000 through fiscal year 2004.

To the extent funds are specifically appropriated for this purpose, authorizes the Secretary to renew expiring Section 8 contracts for projects that are subject to an approval plan of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990 on terms comparable to those provided in the plan of action.

Provides a limited preemption of state distribution limitations in cases where such limitations interfere with affordable housing preservation.

Section 532. Section 236 assistance

Allows Section 236 property to continue to receive interest reduction payments following a mortgage refinancing, subject to the owner's agreement to continue to operate the project in accordance with low income affordability restrictions for the period of the interest reduction payments plus an additional five years.

Allows an owner of a project financed under a State program pursuant to Section 236 of the National Housing Act to retain any excess rental income from the project for use for the benefit of the project, upon terms and conditions established by the Secretary, subject to appropriations.

Section 533. Rehabilitation of assisted housing

Amends Section 236 of the National Housing Act to accelerate the use of recaptured interest reduction payments.

Section 534. Technical assistance

Amends the Multifamily Assisted Housing Reform and Affordability Act of 1997 to allow for technical assistance for preservation of low-income housing.

Section 535. Termination of section 8 contract and duration of renewal contract

Provides that section 8 contracts may be renewed for up to one year or for any number of years, subject to appropriations (as opposed to mandatory renewals of one year).

Section 536. Eligibility of residents of flexible subsidy projects for enhanced vouchers

Amends Section 201 of the Housing and Community Development Amendments of 1978 by allowing the use of enhanced vouchers for projects preserved as affordable housing under section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

Section 537. Enhanced disposition authority

Amends section 204 of the FY 1997 VA/HUD Appropriations Act to extend current grant and loan authority under Section 204 through FY 2000, expressly provide that upfront grants or loans may support reconstruction as well as rehabilitation and demolition, and provide that vacant as well as occupied projects shall be eligible for such grants or loans.

Section 538. Unified enhanced voucher authority

Consolidates and unifies all existing enhanced voucher authority, the terms regarding provision of tenant-based assistance through an enhanced voucher under a new subsection 8(t) of the United States Housing Act of 1937.

REPORT LANGUAGE

The conferees are aware that the Department has issued a notice permitting non-profit owners of section 202 properties to repay their section 202/section 8 mortgages and to refinance those mortgages provided the housing remains available to existing and future tenants under terms at least as advantageous to them as the terms required by the original loan, and if the subsequent refinancing would enhance the housing for the tenants. For this reason, the conferees do not feel it necessary to include Section 102 of HR 202, which passed the House with strong bipartisan support. Section 102 of HR 202 was intended to accomplish this same purpose. In keeping with the intent of section 102 of HR 202, however, the conferees direct the Department, in instances where section 202 borrowers choose to prepay and refinance their mortgages, to share at least 50% of any section 8 savings that might become available as a result of prepayment with the borrower in order to facilitate the refinancing so that enhancements can be made to serve the current and future elderly tenants.

The conferees are aware that the non-profit sponsors of section 202 developments for the elderly struggle to identify additional sources of financing for their projects to enhance the amenities and services available to low-income senior citizens. One alternative that should be explored is to permit the non-profit organizations that are eligible as borrowers for section 202 funds to be the sole general partner of a for-profit limited partnership as long as that general partner meets the definition of private non-profit organization under section 202(k)(4). This would enable borrowers under the 202 program to become eligible for LIHTC, and the equity financing it generates, in the same way as non-profit borrowers under the section 515 rural rental housing program are eligible for the LIHTC. Such eligibility would provide a critical source of additional capital to housing for the elderly, giving our deserving elderly residents the best housing possible.

Sections 307 and 327 of HR 202 specifically allowed for the development and operation of commercial facilities in Section 202 and Section 811 projects, respectively. The conferees, however, believe that nothing in federal law currently prohibits the Department of Housing and Urban Development from permitting the development and operation of commercial facilities in Section 202 and Section 811 projects. For this reason, the conferees do not feel inclusion of these provisions of HR 202 is necessary, but instead specifically directs HUD to grant requests of project sponsors to do this wherever feasible.

In addition, the conferees believe that HUD has authority to allow the development and operation of Section 202 units on the same premises as, and integrated with, privately-financed units. Such integrated housing would allow low-income elderly residents and elderly residents in privately financed units to live side-by-side without the stigma of a separate, low-income wing or of units that are clearly designated for low-income residents. Such was the intent of Section 308 of HR 202. Because the conferees believe the Department already has the authority to accomplish this goal, rather than including Section 308 of 202, the conferees direct HUD to develop policies to enable Section 202 project sponsors who request it to include privately-financed units in their 202 developments.

The conferees direct the Department, for Fiscal Year 2000, that, notwithstanding any other provision of law or any Department regulation, in the case of any denial of an application for assistance under Section 202 of the Housing Act of 1959 for failure to timely provide information required by the Secretary, the Secretary shall notify the applicant of the failure and provide the applicant an opportunity to show that the failure was due to the failure of a third party to provide information under the control of the third party. If the applicant demonstrates, within a reasonable period of time after notification of such failure, that the applicant did not have such information but requested the timely provision of such information by the third party, the Secretary may not deny the application on the grounds of failure to timely provide such information.

The conferees are concerned that section 8 projects whose rent structure was modified and a use agreement executed under one of the portfolio reengineering demonstration programs may be required to undertake a

second round of time consuming and expensive rent restructuring. If the Secretary has previously found debt restructuring to be inappropriate for a project by closing a project under a demonstration program using budget-based rents without debt restructuring and pursuant to a use agreement between the Secretary and the project owner, the conferees direct the Secretary to use the authority provided by the conference report to honor the terms of the use agreement without debt restructuring.

The contract renewals for moderate rehabilitation Section 8 projects are treated differently than contract renewals for other Section 8 properties by requiring a renewal at the lesser of: current rents with an operating cost adjustment factor (OCAF), FMRs minus tenant paid utilities, or the comparable market rent for unassisted units. The conferees do not intend for such renewals to result in a rent that is below the aggregate base rent for the project. The base rent reflects the rent without the rehabilitation financing that was added to the project upon entering the moderate rehabilitation program.

The conferees direct the Department to streamline and reduce the cost of refinancing Home Equity Conversion Mortgages [HECMs] for elderly homeowners, including (a) reducing the single premium payment to credit the premium paid on the original loan [subject to actuarial study], (b) establishing a limit on origination fees that may be charged [which fees may be fully financed] and prohibiting the charging of broker fees, (c) waiving counseling requirements if the borrower has received counseling in the prior five years and the increase in the principal limit exceeds refinancing costs by an amount set by the Department, and (d) providing a disclosure under a refinanced mortgage of the total cost of refinancing and the principal limit increase.

The conferees further direct the Department to conduct within 180 days an actuarial study of the effect of reducing the refinancing premium collected under a refinancing and of the effect creating a single national loan limit for HECM reverse mortgages.

The conferees note the increasing trend in the mortgage industry of various types of home equity loans such as reverse mortgages, and are concerned about the potential effect of abusive lending practices on elderly homeowners. Because the elderly have high rates of homeownership and are more likely to have high levels of equity in their homes, they are prime targets for reverse mortgage scams. While the conferees recognize the majority of lenders operate legitimately, the conferees are concerned about the increasing number of reverse mortgage scams. The conferees therefore direct HUD to evaluate and report on the lending practices of the reverse mortgage industry no later than June 30, 2000. This report should focus on elderly borrowers and should include, at a minimum, an evaluation of: current consumer protection measures; the terms of home equity loans, including the rates and fees paid by elderly borrowers; and the marketing of home equity loans to elderly borrowers. The report should also include an assessment of HUD's role in ensuring that reverse mortgages are not used to defraud elderly homeowners and should detail HUD's plan for preventing such activity.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 1999	$95,263,261
Budget estimates of new (obligational) authority, fiscal year 2000	99,603,004
House bill, fiscal year 2000	91,980,156
Senate bill, fiscal year 2000	97,828,196
Conference agreement, fiscal year 2000	99,452,918
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	+4,189,657
Budget estimates of new (obligational) authority, fiscal year 2000	−150,086
House bill, fiscal year 2000	+7,472,762
Senate bill, fiscal year 2000	+1,624,722

JAMES T. WALSH,
TOM DELAY,
DAVID HOBSON,
JOE KNOLLENBERG,
ROD FRELINGHUYSEN,
ROGER WICKER,
ANNE M. NORTHUP,
JOHN E. SUNUNU,
BILL YOUNG,
ALAN MOLLOHAN,
MARCY KAPTUR,
CARRIE P. MEEK,
DAVID E. PRICE,
BUD CRAMER,
DAVID OBEY,
(except for delayed funding gimmick),
Managers on Part of the House.

C.S. BOND,
CONRAD BURNS,
RICHARD SHELBY,
LARRY E. CRAIG,
KAY BAILEY HUTCHISON,
TED STEVENS,
BARBARA MIKULSKI,
PATRICK LEAHY,
FRANK R. LAUTENBERG,
TOM HARKIN,
ROBERT C. BYRD,
DANIEL INOUYE,
Managers on Part of the Senate.

RECESS

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

Accordingly (at 11 o'clock and 8 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2357

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 11 o'clock and 57 minutes p.m.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2684, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2000

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–380) on the resolution (H. Res. 328) waiving points of order against the conference report to accompany the bill (H.R. 2684) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2679, MOTOR CARRIER SAFETY ACT OF 1999

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–381) on the resolution (H. Res. 329) providing for consideration of the bill (H.R. 2679) to amend title 49, United States Code, to establish the National Motor Carrier Administration in the Department of Transportation, to improve the safety of commercial motor vehicle operators and carriers, to strengthen commercial driver's licenses, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–382) on the resolution (H. Res. 330) providing for consideration of the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2000, 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. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mrs. MALONEY of New York, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. CROWLEY, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Ms. BALDWIN, for 5 minutes, today.

Mr. WIENER, for 5 minutes, today.

Mr. NADLER, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. MEEKS of New York, for 5 minutes, today.

Mr. MOORE, for 5 minutes, today.

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

Mr. BURTON of Indiana, for 5 minutes, October 20.

Mr. DUNCAN, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today and October 14.

Mr. METCALF, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. NETHERCUTT, for 5 minutes, October 14.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 560. An act to designate the Federal building and United States courthouse located at the intersection of Comercio and San Justo Streets, in San Juan, Puerto Rico, as the ''Jose v. Toledo Federal Building and United States Courthouse.''

H.R. 1906. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 322—An act to amend title 4, United States Code, to add the Martin Luther King Jr. holiday to the list of days on which the flag should especially be displayed.

S. 800—An act to promote and enhance public safety through use of 9-1-1 as the universal emergency assistance number, further deployment of wireless 9-1-1 service, support of States in upgrading 9-1-1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous, and reliable networks for personal wireless service, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 11 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Thursday, October 14, 1999, 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:

4755. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Rhizobium inoculants; Exemption from the Requirement of Tolerance [OPP–300915; FRL–6380–4] (RIN: 2070–AB78) received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4756. A letter from the Director, Office of Regulation Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Ethalfluralin; Reestablishment of Tolerance for Emergency Exemptions [OPP–300925; FRL–6383–2] (RIN: 2070–AB78) received October 5, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4757. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Tebuconazole; Extension of Tolerance for Emergency Exemptions [OPP–300936; FRL–6386–4] (RIN: 2070–AB78) received October 5, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4758. A communication from the President of the United States, transmitting requests for transfers from the Information Technology Systems and Related Expenses Account for Year 2000 compliance to eight Federal agencies; (H. Doc. No. 106–143); to the Committee on Appropriations and ordered to be printed.

4759. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; District of Columbia; Stage II Gasoline Vapor Recovery and RACT Requirements for Major Sources of VOC [DC–2012a; FRL–6457–1] received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4760. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants; Maryland; Revision to Section 111(d) Plan Controlling Total Reduced Sulfur Emissions from Existing Kraft Pulp Mills [MD054–3044a; FRL–6456–6] received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4761. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants; Pennsylvania; Control of Total Reduced Sulfur Emissions from Existing Kraft Pulp Mills [PA022–4089a; FRL–6456–4] received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4762. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Vermont: Final Authorization of State Hazardous Waste Management Program Revision [FRL–6456–8] received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4763. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Santa Barbara County Air Pollution Control District and South Coast Air Quality Management District [CA 226–165a, FRL–6448–5] received October 5, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4764. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Georgia: Final Authorization of State Hazardous Waste Management Program Revision [FRL–6453–2] received October 5, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4765. A letter from the Associate Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—1998 Biennial Regulatory Review Spectrum Aggregation Limits for Wireless Telecommunications Carriers [WT Docket 98–205] Cellular Telecommunications Industry Association's Petition for Forbearance From the 45 MHz CMRS Spectrum Cap; Amendment of Parts 20 and 24 of the Commission's Rules-Broadband PCS Competitive Bidding and Commercial Mobile Radio Service Spectrum Cap [WT Docket No. 96–59] Implementation of Section 3(n) and 332 of the Communications Act [GN Docket No. 93–252] Regulatory Treatment of Mobile Services—Received October 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4766. A letter from the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Socorro, New Mexico) [MM Docket No. 99–90 RM–9528] (Shiprock, New Mexico) [MM Docket No. 99–119 RM–9550] (Magdalena, New Mexico) [MM Docket No. 99–120 RM–9551] (Minatare, Nebraska) [MM Docket No. 99–122 RM–9553] (Dexter, New Mexico) [MM Docket No. 99–158 RM–9615] (Tularosa, New Mexico) [MM Docket No. 99–191 RM–9632] received October 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4767. A letter from the Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule—Revisions to the Commerce Control List (ECCNs 1C351, 1C991, and 2B351): Medical Products Containing Biological Toxins; and Toxic Gas Monitoring Systems and Dedicated Detectors [Docket No. 990920257–9257–01] (RIN: 0694–AB85) received October 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

4768. A letter from the Director, Workforce Restructuring Office, Employment Service, Office of Personnel Management, transmitting the Office's final rule—Voluntary Early Retirement Authority (RIN: 3206–A125) received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4769. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Catching Pacific Cod for Processing by the Inshore Component in the Central Regulatory Area of the Gulf of Alaska [Docket No. 990304062–9062–01; I.D. 100599C] received October 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4770. A letter from the Chief, Endangered Species Division, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions Applicable to Shrimp Trawl Activities; Leatherback Conservation Zone [Docket No. 950427117–9123–06; I.D. 050599D] (RIN: 0648–AH97) received October 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4771. A letter from the Chief, Endangered Species Division, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions Applicable to Shrimp Trawl Activities; Leatherback Conservation Zone [Docket No. 950427117–9149–09; I.D. 052799C] (RIN: 0648–AH97) received October 8,

1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SENSENBRENNER: Committee on Science, H.R. 1753. A bill to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes; with amendments (Rept. 106–377, Pt. 1). Ordered to be printed.

Mr. HYDE. Committee on the Judiciary. H.R. 2260. A bill to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes (Rept. 106–378 Pt. 1). Ordered to be printed.

Mr. WALSH: Committee on Conference. Conference report on H.R. 2684. A bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–379). Ordered to be printed.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 328. Resolution waiving points of order against the conference report to accompany the bill (H.R. 2684) making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–380). Referred to the House Calendar.

Mr. SESSIONS: Committee on Rules. House Resolution 329. Resolution providing for consideration of the bill (H.R. 2679) to amend title 49, United States Code, to establish the National Motor Carrier Administration in the Department of Transportation, to improve the safety of commercial motor vehicle operators and carriers, to strengthen commercial driver's licenses, and for other purposes (Rept. 106–381). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 330. Resolution providing for consideration of the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–382). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1753. Referral to the Committee on Resources extended for a period ending not later than October 18, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. CUBIN:

H.R. 3063. A bill to amend the Mineral Leasing Act to increase the maximum acreage of Federal leases for sodium that may be held by an entity in any one State, and for other purposes; to the Committee on Resources.

By Mr. ISTOOK:

H.R. 3064. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. BOEHNER (for himself, Mr. SAWYER, Ms. KAPTUR, Ms. PRYCE of Ohio, Mr. OXLEY, Mr. REGULA, and Mr. STRICKLAND):

H.R. 3065. A bill to amend title XIX of the Social Security Act to remove the limit on amount of Medicaid disproportionate share hospital payment for hospitals in Ohio; to the Committee on Commerce.

By Mr. CARDIN:

H.R. 3066. A bill to amend the Uruguay Round Agreements Act with respect to the rules of origin for certain textile and apparel products; to the Committee on Ways and Means.

By Mrs. CHENOWETH-HAGE (for herself and Mr. SIMPSON):

H.R. 3067. A bill to authorize the Secretary of the Interior to convey certain facilities to Nampa and Meridian Irrigation District; to the Committee on Resources.

By Mr. ENGLISH (for himself, Mr. PETERSON of Pennsylvania, Mr. SHUSTER, Mr. COYNE, Mr. HOLDEN, Mr. MURTHA, Mrs. WILSON, Mr. GREENWOOD, Mr. PITTS, Mr. WELDON of Pennsylvania, Mr. BRADY of Pennsylvania, Mr. BORSKI, Mr. DOYLE, Mr. GOODLING, Mr. KANJORSKI, Mr. NEY, Mr. KLINK, Mr. TOOMEY, Mr. SHERWOOD, Mr. HOEFFEL, Mr. FATTAH, Mr. MASCARA, and Mr. GEKAS):

H.R. 3068. A bill to designate the Federal building and United States courthouse located at 617 State Street in Erie, Pennsylvania, as the ''Samuel J. ROBERTS Federal Building and United States Courthouse''; to the Committee on Transportation and Infrastructure.

By Mr. FRANKS of New Jersey (for himself, Ms. NORTON, Mr. WISE, and Mr. TRAFICANT):

H.R. 3069. A bill to authorize the Administrator of General Services to provide for redevelopment of the Southeast Federal Center in the District of Columbia; to the Committee on Transportation and Infrastructure.

By Mr. HULSHOF (for himself, Mr. ARCHER, Mr. SHAW, Mr. CAMP, Ms. DUNN, Mr. ENGLISH, Mr. FOLEY, Mr. HAYWORTH, Mr. HERGER, Mr. HOUGHTON, Mr. RAMSTAD, Mr. THOMAS, and Mr. WELLER):

H.R. 3070. A bill to amend the Social Security Act to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide beneficiaries with disabilities meaniful opportunities to work, to extend health care coverage for such beneficiaries, and to make additional miscellaneous amendments relating to Social Secuity; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. OWENS:

H.R. 3071. A bill to amend title XII of the Elementary and Secondary Education Act of 1965 to provide grants to improve the infrastructure of elementary and secondary schools; to the Committee on Education and the Workforce.

By Mr. TOOMEY (for himself, Mr. STENHOLM, Mr. BARTLETT of Maryland, Mrs. BIGGERT, Mr. BOEHNER, Mr. BURR of North Carolina, Mr. CALVERT, Mr. CHAMBLISS, Mrs. CHENOWETH-HAGE, Mr. CONDIT, Mr. CRANE, Mrs. CUBIN, Mr. DEMINT, Mr. DOOLITTLE, Ms. DUNN, Mr. FLETCHER, Mr. FRANKS of New Jersey, Mr. GOODE, Mr. GREEN of Wisconsin, Mr. GREENWOOD, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HAYWORTH, Mr. HERGER, Mr. HILL of Montana, Mr. HOSTETTLER, Mr. JOHN, Mrs. JOHNSON of Connecticut, Mr. SAM JOHNSON of Texas, Mr. JONES of North Carolina, Mr. KNOLLENBERG, Mr. KUYKENDALL, Mr. LARGENT, Mr. MCINTOSH, Mr. MICA, Mr. MILLER of Florida, Mr. GARY MILLER of California, Mr. NETHERCUTT, Mr. PETERSON of Pennsylvania, Mr. PITTS, Mr. POMBO, Mr. RADANOVICH, Mr. RILEY, Mr. ROHRABACHER, Mr. RYAN of Wisconsin, Mr. RYUN of Kansas, Mr. SESSIONS, Mr. SAXTON, Mr. SHAW, Mr. SHERWOOD, Mr. SIMPSON, Mr. SISISKY, Mr. STEARNS, Mr. SUNUNU, Mr. TANCREDO, Mr. TIAHRT, Mr. VITTER, and Mr. WALDEN of Oregon):

H. Con. Res. 197. Concurrent resolution expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Mr. HILL of Montana and Mr. LUCAS of Oklahoma.

H.R. 531: Mr. UDALL of Colorado.

H.R. 552: Mrs. EMERSON.

H.R. 815: Mrs. MEEK of Florida.

H.R. 1071: Mr. MASCARA, Mr. HINCHEY, Mr. SANDLIN, Mr. OLVER, and Mr. SCOTT.

H.R. 1083: Mr. ARMEY.

H.R. 1093: Mr. SWEENEY.

H.R. 1095: Mr. CLYBURN, Mr. PHELPS, Mr. NADLER, and Ms. MCCARTHY of Missouri.

H.R. 1103: Mr. SHAYS.

H.R. 1115: Ms. MILLENDER-MCDONALD, Mr. NADLER, Mr. PETERSON of Minnesota, Mr. CONYERS, Mr. SMITH of Washington, Mrs. JONES of Ohio, Mr. JACKSON of Illinois, Mr. OWENS, Ms. ESHOO, Mr. KANJORSKI, Mrs. NAPOLITANO, Mr. JOHN, Ms. SCHAKOWSKY, Mr. KENNEDY of Rhode Island, Mr. DOOLEY of California, Mr. UNDERWOOD, Mr. MEEHAN, Mr. DICKS, Mr. HASTINGS of Florida, Mr. BRADY of Pennsylvania, Mrs. CLAYTON, Mr. FATTAH, Mr. CRAMER, Mr. CLYBURN, Mr. HINOJOSA, Mr. MEEKS of New York, and Ms. MCKINNEY.

H.R. 1132: Mr. ANDREWS and Ms. LEE.

H.R. 1187: Mrs. LOWEY.

H.R. 1388: Mrs. LOWEY and Mr. DICKEY.

H.R. 1399: Mr. SERRANO and Mr. SABO.

H.R. 1432: Mr. TIERNEY.

H.R. 1465: Mr. UDALL of Colorado.

H.R. 1505: Mr. HILL of Indiana.

H.R. 1579: Mr. KENNEDY of Rhode Island and Mr. CONYERS.

H.R. 1592: Mr. HINOJOSA.

H.R. 1650: Mr. MCDERMOTT, Mr. JOHN, and Mr. SWEENEY.

H.R. 1728: Mr. BOUCHER and Mr. GEJDENSON.

H.R. 1775: Ms. WOOLSEY, Ms. ESHOO, Ms. PELOSI, Mr. TIERNEY, Mr. DEUTSCH, Mr. CASTLE, and Mr. HORN.

H.R. 1785: Ms. PELOSI and Mr. SHAYS.

H.R. 1814: Mr. LARGENT, Mr. COBURN, and Mr. SENSENBRENNER.

H.R. 1838: Mr. HANSEN, Mr. ETHERIDGE, Mr. TALENT, Mr. TAYLOR of North Carolina, Mr. SESSIONS, and Mr. SAM JOHNSON of Texas.

H.R. 1868: Mr. COOKSEY and Mr. HALL of Texas.

H.R. 1869: Mr. HYDE.

H.R. 1870: Mr. GREEN of Wisconsin, Mr. SWEENEY, and Mr. EVANS.

H.R. 1887: Mr. UDALL of Colorado and Mr. DIAZ-BALART.

H.R. 2102: Mr. PHELPS.

H.R. 2162: Mr. RAMSTAD and Mr. WOLF.

H.R. 2170: Mr. DIAZ-BALART, Mr. VENTO, Mr. GOSS, and MR. RAMSTAD.

H.R. 2233: Mr. SANDLIN, Mr. KENNEDY of Rhode Island, Mr. BARRETT of Wisconsin, and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 2260: Mrs. FOWLER.

H.R. 2300: Mr. GOODLATTE.

H.R. 2320: Mr. CALVERT.

H.R. 2366: Mrs. NORTHUP.

H.R. 2409: Mr. MCINNIS.

H.R. 2493: Mrs. LOWEY, Mrs. MEEK of Florida, Mr. LANTOS, and Mr. KENNEDY of Rhode Island.

H.R. 2628: Ms. STABENOW.

H.R. 2655: Mr. FOLEY.

H.R. 2698: Mr. KOLBE.

H.R. 2713: Mr. ORTIZ, Mr. GONZALEZ, Ms. ROYBAL-ALLARD, Mr. RODRIGUEZ, Mr. REYES, Mr. SERRANO, and Ms. VELAZQUEZ.

H.R. 2720: Mr. PASCRELL.

H.R. 2722: Ms. SCHAKOWSKY.

H.R. 2728: Mr. EHLERS and Mr. CASTLE.

H.R. 2733: Mr. HALL of Texas and Mr. EVANS.

H.R. 2749: Mr. ENGLISH.

H.R. 2757: Mr. PAUL and Mr. LARGENT.

H.R. 2807: Mr. DOYLE.

H.R. 2809: Mr. GOODE, Mr. STARK, and Mr. SABO.

H.R. 2810: Mr. WEINER.

H.R. 2816: Mr. OWENS.

H.R. 2888: Mr. FRANK of Massachusetts and Mr. HALL of Ohio.

H.R. 2895: Mr. CAPUANO, Mr. MARTINEZ, Mr. HINCHEY, Ms. NORTON, and Mr. WU.

H.R. 2906: Mr. BLUNT, Mr. TIAHRT, and Mr. FOLEY.

H.R. 2928: Mr. BALLENGER, Mr. LARGENT, Mr. DOOLITTLE, Mr. SWEENEY, Mrs. MYRICK, Mr. POMBO, Mr. TANCREDO, Mr. GRAHAM, Mr. TOOMEY, Mr. PITTS, Mr. OSE, Mr. BARTLETT of Maryland, Mr. PETERSON of Pennsylvania, and Mr. KINGSTON.

H.R. 2939: Ms. MCKINNEY.

H.R. 3014: Mr. BILBRAY.

H.R. 3047: Mr. COYNE.

H. Con. Res. 120: Mr. HERGER.

H. Con. Res. 141: Mr. KENNEDY of Rhode Island, Mr. ABERCROMBIE, Mr. DICKEY, Mr. MCHUGH, and Mr. MCGOVERN.

H. Con. Res. 174: Mr. GEPHARDT.

H. Con. Res. 177: Ms. MCCARTHY of Missouri, Ms. SCHAKOWSKY, Mr. SABO, Mr. KUCINICH, Mr. BONIOR, Mr. TIERNEY, Mr. WEYGAND, Mr. DELAHUNT, Mrs. LOWEY, Ms. ESHOO, and Ms. PELOSI.

H. Con. Res. 188: Mr. BLAGOJEVICH, Mr. FOLEY, Mr. KING, Mr. FROST, Mrs. MYRICK, Mr. VISCLOSKY, Mr. GEJDENSON, Mrs. MINK of Hawaii, Ms. ESHOO, Mr. PORTER, Mr. DIXON, Mr. KENNEDY of Rhode Island, Mr. GOODLING, Mr. RUSH, Mr. ABERCROMBIE, and Mr. MEEHAN.

H. Res. 41: Mrs. BIGGERT and Mrs. EMERSON.

H. Res. 238: Mr. FRANK of Massachusetts.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2679

OFFERED BY: MR. GONZALEZ

AMENDMENT NO. 1: Page 34, strike line 6 and all that follows through the end of line 21, and insert the following:

SEC. 205. SAFETY VIOLATION TELEPHONE HOTLINE.

(a) STAFFING.—Section 4017 of the Transportation Equity Act for the 21st Century (49 U.S.C. 31143 note; 112 Stat. 413) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(2) by inserting after subsection (b) the following:

''(c) STAFFING.—The toll-free telephone system shall be staffed 24 hours a day 7 days a week by individuals knowledgeable about Federal motor carrier safety regulations and procedures.''; and

(3) in subsection (e) (as redesignated by paragraph (1) of this section) by striking ''for each of fiscal years 1999'' and inserting ''for fiscal year 1999 and $375,000 for each of fiscal years 2000''.

(b) DISPLAY OF TELEPHONE NUMBER.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations requiring all commercial motor vehicles (as defined in section 31101 of title 49, United States Code) traveling in the United States, including such vehicles registered in foreign countries, to display the telephone number of the hotline for reporting safety violations established by the Secretary under section 4017 of the Transportation Equity Act for the 21st Century (49 U.S.C. 31143 note).

H.R. 2679

OFFERED BY: MS. JACKSON-LEE OF TEXAS

Amendment No. 2: At the end of the bill, add the following:

SEC. 210. SENSE OF CONGRESS ON USE OF RECORDING DEVICES IN COMMERCIAL MOTOR VEHICLES.

It is the sense of Congress that—

(1) the use of recording devices (commonly referred to as ''black boxes'') in commercial motor vehicles could provide a tamper-proof mechanism for use in accident investigations and enforcement of hours-of-service regulations; and

(2) the National Motor Carrier Administration should implement the recommendations of the National Transportation Safety Board concerning the use of recording devices in commercial motor vehicles.

Conform the table of contents of the bill accordingly.

H.R. 2679

OFFERED BY: MS. JACKSON-LEE OF TEXAS

Amendment No. 3: At the end of the bill, add the following:

SEC. 210. USE OF RECORDING DEVICES IN COMMERCIAL MOTOR VEHICLES.

(a) STUDY.—The Secretary of Transportation shall conduct a study to determine if the use of recording devices (commonly referred to as ''black boxes'') in commercial motor vehicles could provide a tamper-proof mechanism for use in accident investigations and enforcement of hours-of-service regulations.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report to Congress on the results of the study, together with recommendations concerning the use of recording devices and commercial motor vehicles.

Conform the table of contents of the bill accordingly.