United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, FIRST SESSION

Vol. 143 WASHINGTON, WEDNESDAY, JULY 16, 1997 No. 101

House of Representatives

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. LAHOOD].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 16, 1997.

I hereby designate the Honorable RAY LAHOOD to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Joe Clark, pastor, Holy Spirit Catholic Church, Annandale, VA, offered the following prayer:

In the name of the Father, the Son, and the Holy Spirit.

Heavenly Father, grant us in your merciful providence, right judgment in all things.

Help us to grow in virtue: to see as You see, to love as You love, to rule as You rule.

Impart to us Your holy and perfect wisdom that our laws may reflect Your loving plan.

Teach us to be generous servants of Your truth, knowing that it is in giving that we receive.

Perfect us in a freedom ordered to truth, confirm us in justice which leads to peace.

Bestow upon us the virtue of courage: To fight the good fight and to finish the race.

Teach us to serve the common good with loving generosity.

Most Holy God: Father, Son, and Holy Spirit, counsel us to greater reverence for all life from its natural beginning to its natural end.

O Most Holy God, have mercy on us all and forgive us our sins. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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 pro tempore. Will the gentleman from Nevada [Mr. GIBBONS] come forward and lead the House in the Pledge of Allegiance.

Mr. GIBBONS 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.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minutes on each side.

WELCOME TO THE REVEREND JOE CLARK

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

Mr. MORAN of Virginia. Mr. Speaker, while Father Clark's church is actually in the district of the gentleman from Virginia [Mr. DAVIS], it is I who will introduce him.

Father Clark is the pastor of Holy Spirit Catholic Church in Annandale, VA. It may be of some interest that Father Joe Clark is the grandson of the campaign manager and the speech writer for James Michael Curley, the former mayor of Boston. But I am sure that Father Clark is making amends for that by serving his parish very well. Actually, I only say that in jest. I know his grandfather would be very proud of him today as he is rightfully proud of his grandfather. And every Irishman should be proud of all that Mayor Curley did for the Boston Irish.

Father Clark is a modest man of the cloth, but I would like to address a few remarks about someone who is neither, but is in the audience today, Mr. Patrick Troy, who is a guest with Father Clark. Pat Troy deserves to be recognized today.

For the last 35 years he has done a great deal for this country, particularly for the Irish-American community, and on the 150th anniversary of the great potato famine that brought so many Irish into the United States, Mr. Troy should be recognized as one of the most effective representatives of the Irish-Americans in this country.

Twenty-five years ago he started his own radio show in the Washington metropolitan area, and broadcasts the glory and beauty of Irish music to everyone, particularly Irish-Americans, and keeps people posted on Irish-American cultural developments. Fifteen years ago he started a restaurant called Ireland's Own, and the annual St. Patrick's Day parade in Alexandria, VA.

Pat Troy is an indispensable member of the Washington metropolitan area's community. For many, many years he has been absolutely dedicated to the pursuit of peace in Northern Ireland and to the Project Children Program, which brings Irish and Protestant children alike over to the United States. They live together, they work together, they get to know and appreciate each other. They are doing a tremendous amount of good in terms of

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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finding reconciliation in Northern Ireland.

He is also the founder of the John F. Kennedy Division of the Ancient Order of Hibernians in the Washington area, so I do want to recognize Pat Troy for all that he has done for our community and for this country.

INFORMING COLLEAGUES OF THE NEWLY-FORMED MINING CAUCUS

(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, today I rise to inform my colleagues about the newly formed Mining Caucus, of which I proudly serve as the cochair with my friend and colleague, the gentlewoman from Wyoming [Mrs. CUBIN]. The purpose of the Mining Caucus will be to educate Members on how the wealth of this Nation is produced by the mining industry, which improves the lives and livelihoods of citizens of their districts, and how in turn it is used to sustain the economic growth and job creation of this great Nation.

Nearly 300,000 Americans are employed directly by the mining industry. Indirectly, mining accounts for about 3 million jobs, 397 out of 435 congressional districts have a mining presence. This industry plays a hugely important role in our national economy. I urge my colleagues to join the Congressional Mining Caucus. As a reminder, I would say that if it cannot be grown, it must be mined.

REPUBLICAN CAMPAIGN TO ATTACK WORKING AMERICANS, LABOR UNIONS, AND THE DEPARTMENT OF LABOR

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

Mr. CLAY. Mr. Speaker, I am appalled that the Republican majority has hijacked $1.4 million of public funds to pursue a devious, fully orchestrated campaign to attack working Americans, labor unions, and the Department of Labor. The Republicans are going to spend $1.4 million of tax money to intimidate labor leaders, harass the Department of Labor, and attempt to repeal labor laws that have protected the rights of workers for over a half a century.

This plot was never discussed in a public hearing of the Committee on Education and the Workforce, and it was approved by the House oversight committee without any witnesses testifying to its need. Although the majority is trying to dress up their mission statement, the real attempt is to pursue an extremist antiunion agenda. The Republicans are scheming to attack union members as payback for labor union participation in the 1996 elections. This $1.4 million ill-advised use of taxpayer dollars is aimed at diminishing worker protections under OSHA, the National Labor Relations Act, and the Davis-Bacon Act; mind you, all at taxpayers' expense.

THE EFFECTS OF THE WASHINGTON BUREAUCRACY'S IMPUTED INCOME

(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, I have gotten a few calls over the past weeks about the Treasury Department's use of imputed income. Imputed income means if you own your own home, you could move out and rent it to another family, and therefore you could be making some more money, and it should be taxed.

There are a lot of taxpayers that are feeling a little bit insulted by this concept that has been developed by a bunch of out-of-touch bureaucrats here in Washington, DC, who think that people can count income that is not really income. Maybe the President can rent his home out for a lot of money, but most people do not own or live in a home that they own free and clear.

Telling the average American families that their incomes are actually $30,000 or more higher than they think is truly bizarre. Telling middle-class families that they are actually rich and therefore do not need some tax relief is just the latest outrage from the bureaucracy in Washington, DC, that does not live in the real world. Most Americans know it is time for some tax relief here in America.

THE SPEAKER'S MAKE-A-WISH SLUSH FUND IS FUNDED BY TAXPAYERS

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

Mr. GEJDENSON. Mr. Speaker, I have an apology to make. When I saw the $7.9 million the majority Republicans were going to put into a slush fund, they call it a slush fund, it is not a slush fund. It turns out it is the taxpayer-funded Speaker's make-a-wish foundation. His first wish is, guess what, class warfare, go after working Americans.

On this side of the aisle the majority has initiated about $50 million of taxpayer investigations. What we have from it I cannot figure out, but I see where they are going. From the first day they took over 3 years ago, they started class warfare. They do it in the tax bill. They do it in their investigations.

They have gone too far. Even Members of the Republican side of the aisle say this last grab of funds to go after working people in America is just wrong. It is going to come back to haunt them. They can spend $50 million of the taxpayers' money. Do not run home and try to tell them you are balancing the budget. The Speaker's make-a-wish funds are funded by the taxpayers. It is a rip-off.

CLASS WARFARE BY DEMOCRATS, WITH IMPUTED INCOME SCHEME RAISING MIDDLE-CLASS AMERICANS' TAXES

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

Mr. GUTKNECHT. Mr. Speaker, let us talk about class warfare. According to the Census Bureau, the median family income in the United States today for a family of four is $47,000 a year. Let me be clear, that is $47,000 American dollars, not Euro-dollars, not imputed dollars, not even bus tokens. We are talking about real money here.

Let us imagine such a family. Let us give them names, Al and Betty Jones, with a son in eighth grade and a daughter going to college this fall. Under our tax relief plan, the Joneses would get to keep an extra $1,900 of their money. Using the imputed income scheme that the Democrats want to use, the Jones' income magically rises from $47,000 to nearly $80,000. Congratulations, Al and Betty, you are now rich. You no longer qualify for family tax relief under the Democrats' own plan.

Worse yet, if we carry this bizarre arithmetic to its imputed conclusion, these rich Joneses would now owe almost $8,000 in new taxes. So instead of getting $1,900 in tax relief under our plan, Al and Betty get a hefty tax hike. I guess that is just the Washington liberal way of keeping up with the Joneses.

DEMOCRATS NOW AGREE THAT THROUGH JOHN HUANG, CHINA ATTEMPTED TO INFLUENCE AMERICAN POLITICS

(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, Democrats now agree with Republicans: China tried to influence American politics. No kidding, Sherlock. I think Barney Fife could figure that out.

Check this out. Hip Hing Holdings, a California company that only owns an abandoned parking lot in L.A. and who lost $1 million, gave $67,000 to the Democrat National Committee. Hip Hing got the money from Lippo Group. Lippo Group has ties to China. The money was gotten for Hip Hing from Lippo by John Huang. John Huang worked for Lippo and also worked for Hip Hing. John Huang later worked for the Commerce Department and later worked for the Democrat National Committee, but John Huang now says, ''What is the big deal? I also gave money to the March of Dimes and the Boy Scouts of America.''

Beam me up, Mr. Speaker. John Huang was not hired to raise money for the Boy Scouts; John Huang was hired to raise money to help China. I yield back the balance of all of this mess.

URGING MEMBERS TO DEFEAT AMENDMENTS WHICH WOULD ATTEMPT TO REWRITE THE FARM BILL ON AGRICULTURE APPROPRIATIONS LEGISLATION

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

Mr. EWING. Mr. Speaker, I come here today because today or tomorrow we are going to be taking up the agriculture appropriations bill. There will not be a rule on this bill, and the reason there is not a rule is because the appropriators and the authorizers are together. We know what is good for agriculture.

But there are those in this body who want to rewrite the farm bill on the agriculture appropriations bill, and at the expense of American farm families. In the name of cutting Government, cutting expenses, when the farm bill passed no-cost programs to the Government, they want to change those no-cost programs. That is substantive legislation on an appropriation bill.

Agriculture groups and Members of this body who have agricultural interests in their districts have come together to support America's farming men and women. I hope we will deny those Members their success on those amendments.

□ 1115

REPUBLICAN TAX BILL

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

Mr. LEWIS of Georgia. Mr. Speaker, it is time for Republicans to come clean about their tax bill. Republicans want a tax cut for people working on Wall Street, not people living on Main Street.

Let us take an example. Al works 40 hours a work at the factory. Al works hard and supports his wife and two children on his $25,000 salary. He pays thousands of dollars in taxes. What does Al get from the Republican tax bill? Nothing. Zero. Zip.

Democrats want to give Al and millions of other working families a tax cut. These are the people Democrats want to help. What do the Republicans say about Al? They say Al is on welfare.

Billions of dollars in tax breaks for millionaires. Nothing for Al. Nothing for millions of hard-working American families. That is the Republican plan.

LIBERAL CLASS WARFARE CONTINUES

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

Mr. ROGAN. Mr. Speaker, in response to the preceding speaker, the gentleman from Georgia, I would suggest to him that there are very few people in this country earning $40,000 to $50,000 a year who are employed as the rich on Wall Street. Yet that is exactly how the Democrats in this House view people who earn that much money—rich.

There are two competing philosophies between the major parties. Republicans believe that individuals who work for a living ought to be able to make the decisions on how to spend their money. Democrats who controlled this House for 40 years believe that families do not have the compassion or the wisdom to make those spending decisions, and that we should send more of their money back to Washington so bureaucrats can make those spending decisions. That is their legacy to America during the 40 years they controlled this Chamber.

In each Congress that the Republicans have controlled this Chamber since we took control in 1995, we have cut taxes for American families. That is our legacy to America. It is a legacy that continues with our present tax cut proposal.

INVESTIGATION OF LABOR UNIONS

(Mrs. MINK of Hawaii asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MINK of Hawaii. Mr. Speaker, in January of this year I became the ranking member of the House Committee on Education and the Workforce Subcommittee on Oversight and Investigations. I had the promise of the chair of that committee that we would work together closely, that we would coordinate the activities that the Republican majority wanted to pursue.

And thus far, I have gone along. I have cooperated. I have allowed the Republican majority to follow whatever agenda of investigation they wanted to pursue. It was basically a crossroads investigation to see whether money in education and labor were being wisely spent on the idea of what works and what does not work.

Suddenly a week ago we are told that the Committee on House Oversight of the whole House of Representatives has authorized my committee $1.4 million for an investigation that has never been raised in my subcommittee. We have never spent 1 minute on it. I am not against investigations. If there is corruption, let us go after it. If there is abuse of power, let us go after it. But let us not waste taxpayers' money for sheer partisan political purposes.

STICKING IT TO THE MIDDLE CLASS

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

Mr. PAPPAS. Mr. Speaker, I would like to respond to those on the other side who would like to turn Medicare and Social Security into another welfare program. Are they seriously suggesting that the tax credit should count against the payroll taxes that are paid by American workers?

Mr. Speaker, I am not sure if the liberals who are proposing this understand the consequences of what they are proposing. They are proposing that the politicians in Washington, get this, should create a brand new entitlement, the greatest something-for-nothing entitlement of all time.

So instead of people paying their way during their working lives so that their retirement and health care needs will be met in old age, they should not have to pay into the system at all. Let us recap. Pay nothing but collect hundreds of thousands in benefits from a system that everyone else has to support.

Payroll taxes are not income taxes, Mr. Speaker. Payroll taxes are for Social Security and Medicare. Let us not turn Social Security and Medicare into a massive welfare program that sticks it yet again to the middle class.

CAMPAIGN TO INTIMIDATE LABOR

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

Ms. SANCHEZ. Mr. Speaker, last week the Republican leadership engaged in a back room deal to spend $1.4 million in taxpayer funds to investigate labor unions. This funding came from the $7.9 million emergency slush fund which we can now see was set aside by Republicans to finance purely partisan projects.

This abuse of taxpayer funding is intended to intimidate, to coerce and to harass political opponents, Americans who just do not happen to share the same views as the Republican leadership. It will be used to punish working men and working women who depend on employment protection provided by labor representation.

A recent Washington Post poll said that most Americans believe politicians in Washington waste too much time and money in trying to dig up dirt on their opponents. It is no wonder the Republican Congress is better known as the witch-hunt Congress.

SUPPORT H.R. 1333, THE WORKING AMERICANS WAGE RESTORATION ACT

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

Mr. NETHERCUTT. Mr. Speaker, I rise today to issue a challenge to all Members on the other side of the aisle who wish to target tax relief to middle-income Americans. We have heard a lot about that this morning and in the

past few weeks. You may be surprised to learn that 72 percent of working American families pay more in total Social Security payroll taxes than they pay in income tax.

So I commend to my colleagues a bill that I have sponsored called the Working Americans Wage Restoration Act, H.R. 1333. This bill would allow workers earning less than $65,400 to deduct their portion of Social Security payroll tax from their Federal income taxes. This would eliminate the current double taxation of the Social Security tax and put workers on the same level as businesses which are allowed to deduct the payroll taxes as a business expense.

According to the Joint Committee on Taxation, my bill would provide the average two-income family with an additional $1,200. It covers all workers. So I invite my friends on the other side of the aisle, Members who are so concerned about middle income Americans, get on this bill. H.R. 1333.

THE REPUBLICAN TAX PLAN

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

Mr. DAVIS of Illinois. Mr. Speaker, the American people are saying in a clear voice, cut us in or cut it out. That is exactly what the Republican tax plan does. It cuts out millions of working people in favor of the rich.

The Republican plan cuts out Ms. Smith who works all day long in a nursing home in Chicago, but cuts in Mr. Jones, a millionaire. The Republican plan cuts in the 5 percent of the wealthiest people in this country while significantly cutting out the other 95 percent.

I say Ms. Smith deserves a break. Under the Democratic plan Ms. Smith would get that break, along with 91 million other low- and middle-income families.

The Republican plan cuts out children, college students and workers who earn less than $250,000 a year. Under the Democratic plan, these groups are cut in. The Republican plan can be summed up in four words: Show me the money. Those who have it get cut in; those who do not are cut out.

NATO EXPANSION

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

Mr. DUNCAN. Mr. Speaker, the Congressional Budget Office has estimated that NATO expansion is going to cost U.S. taxpayers at least $4.7 billion. Some estimates are much higher, with many analysts suggesting that $15 to $20 billion over the next few years is more accurate. And these estimates were made before it was announced a few days ago that France is not going to pay its share of expansion costs.

All of this really to obligate us to more Bosnia-type situations in the future. Already we have spent many billions over and above our regular foreign aid in Bosnia, Haiti, Rwanda, Somalia, and other places where there was absolutely no threat to United States security.

If you oppose NATO expansion you are called names like ''isolationist,'' but name-calling is simply a way to avoid the merits or lack thereof. Let us be friends with every nation, but this does not mean we should have to pay the bills for every nation. With a $5.5 trillion debt, we simply cannot afford to do this.

As columnist Amos Perlmutter said in yesterday's Washington Times, the debate on NATO expansion should ''alert the American people to the futility, the dangers, and the high cost of this experience designed to establish the President as a great foreign policy leader at the expense of the national interest.''

RESERVE FUND

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

Mr. HOYER. Mr. Speaker, if it operates like a slush fund and is administered like a slush fund, then how should we refer to the leadership reserve?

Last week in an a total sham process, the Committee on House Oversight steamrolled through a $1.4 million allocation from the leadership's $7.9 million slush fund to investigate organized labor's political activities. The reserve fund is supposed to be used under House rules in, and I quote, ''extraordinary, emergency, or high priority circumstances.''

The Committee on House Oversight decided not to fund this request in March. What has happened? I ask my friends, what is the emergency? For whom is this investigation a high priority? Is this strictly a research endeavor, as the majority says? Why then a communications director for $70,000 and a media assistant for $25,000 and four additional attorneys for the committee?

I do not have all the answers but I will ask one more question: If it walks like a witch hunt and talks like a witch hunt?

MEDICARE

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

Mr. DAVIS of Virginia. Mr. Speaker, we have heard other speakers try to explain in simple terms exactly why Medicare is going bankrupt. Today I would like to take the next step: Explain what can be done about it.

First I would like to start with a fundamental principle, a principle that reflects my values and the importance that I would attach to freedom. That principle is: Other things being equal, individual choice is preferable to collective choice. Said another way, I think I know what is best for me and my family better than the government does. It means that I can spend my money better than the government thinks they can spend my money.

Another principle stems from this principle: To override individual choice requires a compelling reason.

So the first step to reform Medicare is to apply those principles to the system. That is why the first reform is to allow seniors more choices in their Medicare and the option in one case to choose medical savings accounts or MSAs. MSA is the best option for many seniors, and they ought to have the opportunity to choose that. I ask my colleagues to help pass this first test, essential Medicare reform.

THE REPUBLICAN TAX PLAN

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

Mr. STUPAK. Mr. Speaker, the Republican majority has approved a tax plan that ignores the facts and ignores the wishes of the American public.

When a U.S. Treasury report revealed that the Republican plan was light on relief for working Americans and heavy on tax breaks for the rich, the Republican response was that the Treasury Department had somehow cooked the books, and they marched on with their plan. When Democrats and 15 million taxpaying families were being cut out of the GOP tax plan, the Republican response was to redefine these families as welfare families, and they marched on with their plan.

House Republicans are marching by themselves. A recent Wall Street Journal/NBC News poll shows more Americans agree with the Democrats than the Republicans on the budget and tax negotiations. This finding was supported by a recent Washington Post/ABC News poll.

Mr. Speaker, it is clear that the only thing being cooked are the tax plans, the GOP tax plans that hurt working Americans and tell untruths about hard working American families. Tax plans that hurt American families shall be rejected by Democrats and America.

ANNOUNCEMENT OF ELECTION RESULTS

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

Mr. BOEHNER. Mr. Speaker, as chairman of the Republican Conference it is my pleasure to announce that we have two new members of our Republican leadership team.

At a conference of Republican Members this morning, we elected a new vice chairman of the Republican Conference, the gentlewoman from Washington, Ms. JENNIFER DUNN. And we

elected the gentlewoman from Ohio, Ms. DEBORAH PRYCE as secretary to the Republican Conference.

We have a unified Republican effort here with these new elections to bring about what the American people are expecting of us: to balance the Federal budget for the first time in 27 years, to reduce taxes for middle income American families, and to solve the impending crisis with Medicare.

It is my pleasure today to bring this news to the House. I look forward to working with Members on both sides of the aisle to do what the American people sent us here to do, and that is their agenda.

□ 1130

TAX FAIRNESS FOR WORKING FAMILIES

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

Ms. VELÁZQUEZ. Mr. Speaker, 2½ years ago the Republicans stood on the steps of the Capitol and signed the Contract With America. Item 5 of the contract was not a bad idea. It called for a $500-per-child tax credit and promised to provide middle class tax relief. I must ask my Republican colleagues why they broke their promise to working families.

These families work hard, pay taxes, and are entitled to tax relief. The Republicans not only made a promise to them, they signed a contract. Now my colleagues across the aisle are trying to say that item 5 of the Contract With America does not apply to everyone. The American Dream Restoration Act, as they call it, will remain just another broken promise.

The Democrats want to provide tax relief to all working families. It is just that simple. I challenge my Republican colleagues to join us in this effort.

TREASURY DEPARTMENT USING DISHONEST ACCOUNTING

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

Mr. SOLOMON. Mr. Speaker, trying to get the truth from the Clinton administration about who benefits from the tax cut package is about as elusive as getting truth from John Huang about fund-raising illegalities in the last election. In both cases we would have to dig a hole from here to China before seeing any daylight.

The numbers being cited from the other side about tax cuts for the wealthy are hogwash. They are phony and dishonest.

Try to explain imputed rental income to my constituents, I ask my liberal friends on the other side of the aisle. Try to explain about their share of unreported and underreported income that the Treasury Department is assigning to all taxpayers, lumping honest Americans who play by the rules with tax cheats.

Try to explain the Wall Street paper profits that the Treasury Department is using to score the plan, whether or not we realize a capital gain or whether or not we even have any stock at all.

Try to defend the scoring that assumes that all the changes are put in effect immediately, even if they know full well that many of them are phased in over many years.

What are we trying to do to the American taxpayers?

REPUBLICAN TAX PLAN FAVORS THE RICH

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

Mr. PALLONE. Mr. Speaker, Democrats have been saying for some time that the Republican tax plan favors the rich at the expense of working Americans. Republicans have tried over and over again to deny the truth, but the media and the American people are catching on.

I want to make reference to sections in an editorial in today's Washington Post entitled ''Tax Trash.'' It says the Republicans have written a tax bill tilted heavily toward the better off. The Democrats, led by the President, have rightly called them on it.

The Republicans, in turn, have adopted a new technique. Rather than argue, as they may have done in the past, about the virtues of the bill, they engage in distortion. The people who wrote this bill are not defending its distributional consequences, they are denying them.

The plain facts are that the bill, over time, would not just mainly benefit the better off but would cost the Government revenues it cannot afford. The bill is certainly written in such a way as to make the revenue loss look small at first and then it soars.

It is not just the Treasury Department that says so. The Congressional Research Service and the vast majority of other analysts are saying the same thing.

Mr. Speaker, we should listen to the Washington Post because it says it all about what the other side is doing.

TREASURY DEPARTMENT'S USE OF FAMILY ECONOMIC INCOME IS A FRAUD

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

Mrs. KELLY. Mr. Speaker, the Treasury Department's use of family economic income is bizarre, unusual, ill-conceived, unconventional, unorthodox, irregular, deceptive, misleading, dishonest, aberrant, divorced from reality, fanciful, factually challenged, preposterous, outrageous, inaccurate, unsupported by common sense, unconscionable, unsubstantiated, brilliantly calculated to distort the truth about the Republican tax plan and, alas, oh so typical of this administration.

In short, the Treasury Department's use of family economic income is a fraud.

Mr. Speaker, what I am hearing from the other side this morning about tax cuts for the wealthy is an insult to the middle class constituents that I represent.

Can we just imagine my going back to my district and scornfully attacking middle class families as ''the rich,'' as somehow morally deficient for thinking they know better how to spend their own money than the politicians in Washington?

I have gotten used to listening to the complete incapacity to understand elementary economics on the other side, but today marks a new low.

A portrait of George Washington hangs behind us. I wonder what he would think about family economic income.

REPUBLICANS DECISION TO INVESTIGATE LABOR DEPARTMENT IS ABUSE OF SLUSH FUND MONEYS

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

Ms. KILPATRICK. Mr. Speaker, well, here we go again. Last week, in the Committee on House Oversight, of which I am a member, with less than a 24-hour notice, which is an abuse of the rules, I find out when I walk in that the House Republicans had decided to spend $1.4 million to investigate the Labor Department, America's hard-working men and women and how they work for their companies.

There has been over $10 million spent this year on investigations by Republicans. Unfortunately, these same leaders in our Congress have cut Medicaid, Medicare, nutrition services, and we can go on and on.

Mr. Speaker, I am a Member of this Congress because I want to work for good jobs and opportunity for young people. I want to stop the witch hunts. And when we can use an abusive slush fund, set aside for just that, to investigate, to the tune just this Congress in this 6 months $10 million, I think the people ought to be outraged.

Let us get to the work of the people.

CONGRESS SHOULD WORK TOGETHER TO HELP WORKING FAMILIES MAKE ENDS MEET

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

Mr. BLUNT. Mr. Speaker, we are here today as part of an effort to really help working families. We need to work together. There are people on both

sides of the aisle that want to help working families. Let us not get confused by the calculations that are being used to determine whether people are rich or not.

We know whether people work or not, we know whether they pay taxes or not. Americans would be amazed to find out that the calculations that are being used to determine their wealth include the rental value of their home. If they own their home or are making payments on their home, the payment on their home is less than their home would rent for. Suddenly, they get a big rental value added to their income. Those things that their employer may have given them as benefits are added to their income.

More than half of the family incomes of teachers, of construction workers, of mechanics would be classified as rich if we calculate family income the way the White House wants to. We cannot do that.

Let us be fair, let us work with each other, let us help working families make ends meet.

LABOR DEPARTMENT INVESTIGATION IS POLITICAL WITCH-HUNT

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

Mr. KIND. Mr. Speaker, as a new member of the Subcommittee on Oversight and Investigations of the Committee on Education and the Workforce, I was surprised to learn last week that the Speaker had just awarded the subcommittee $1½ million out of a political slush fund to conduct an emergency investigation on labor unions and working men and women around the country. First of all, when we are trying to balance the budget, where are we coming up with an additional $1.5 million for a political witch-hunt that will send us on a fishing expedition all over the country. Just another investigation.

Here is a novel idea, if the Committee on Education and the Workforce has an additional $1.5 million, why do we not spend it on education and worker training such as the TRIO Program. That is a program that goes to low-income students to prepare them for higher education learning.

In fact, the two largest universities in my district in western Wisconsin, Eau Claire and La Crosse, service roughly 2,000 low-income students in the TRIO Program. Another $1½ million will double that amount.

I think we should use our taxpayer dollars wisely instead of going on another fishing expedition conducting an unlimited investigation on unwarranted charges.

UNCLE SAM CAN GET BY ON LESS FROM MIDDLE CLASS FAMILIES

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

Mr. RADANOVICH. Mr. Speaker, if we had a rich uncle and we were barely making ends meet, would we be giving him more of our paycheck every 2 weeks? I think that is what we are doing. We are giving Uncle Sam more and more of our hard-earned money every year. Is it not time the rich uncle started letting us keep a little more?

Republicans in Congress think so. We have a tax relief plan that gives taxpayers a break at every stage of life. It helps middle-class families who have been hit hardest by expanding government these past 40 years. It helps middle-class families save for college by providing tax incentives for kids to go to college. It lowers the tax on savings and investment, which means a stronger economy and more jobs. And it reduces the death tax, which means that fewer families will have to sell the family farm or family businesses when the owner dies.

Uncle Sam can get by with a little less. Let us support the Republican tax package that provides tax relief to middle-class families at every stage of life.

INDEPENDENT CONTRACTOR PROVISION IN TAX BILL WILL HURT MIDDLE-INCOME WORKERS

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

Ms. SLAUGHTER. Mr. Speaker, there is a real snake in the woodpile in this tax bill that nobody is talking about. There is a little provision in there that says an employer can declare an employee an independent contractor. That $500 tax credit per child will not mean a heck of a lot to a taxpayer if suddenly they find out they are responsible for all their own health insurance, paying their own FICA, and paying their payroll tax.

This is something that will also cost the American taxpayer an estimated $2.2 billion over the next 10 years. Let me quote Secretary of the Treasury, Robert Rubin, and what he has to say about this one provision.

''The provisions for independent contractor status would permit employers to avoid essential worker protections.'' Think about this, constituents. I want everyone to know about this one. At a time when we are trying to expand health and pension coverage, this proposal could lead to widespread shifting of employees to independent contractor status.

No longer an employee, but on their own. They would take away the protections such as pension and health coverage and, consequently, wage and hour protections, unemployment insurance benefits, and compensation for work related injuries. Wake up America, it is coming.

TREASURY DEPARTMENT NOT BEING STRAIGHT WITH AMERICAN PEOPLE

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

Mr. CAMP. Mr. Speaker, the Treasury Department is not being straight with the American people. The Treasury Department is using misleading, bogus information about the bipartisan tax relief package.

For example, they use something called family economic income. Now, people are probably wondering what is family economic income? That is the imputed rental value of a home, even though one does not plan to rent it; inside buildup on a pension or benefits one may receive at work.

That is a definition of income that was dropped by the Joint Tax Committee, which is a bipartisan committee, Democrat and Republican, House and Senate, and they dropped that definition of income when the Democrats were in control of the Congress.

I think those who are calling family economic income the correct definition will have a hard time explaining to the schoolteachers, truck drivers, waitresses, factory workers, farmers, and nurses in my district that they are rich.

According to the Treasury Department's absurd calculation, family economic income would take someone earning $45,000 a year and, for purposes of that calculation, say they earned $75,000 a year. I guess anything to deny middle-class tax relief.

REPUBLICAN TAX RELIEF—TAKE A TURN ON THE WEB

(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, yesterday Speaker GINGRICH stood in the well of this House and he invited the American people to visit the House Republican web site, calculate their estimated tax savings under the Republican plan.

So I thought, let us see how an average working tax-paying mom with two kids would fare under the Republican plan. Let me just say I received an error message saying they could not calculate her savings. Perhaps that is because this family would get a big fat zero. No tax break at all under the Republican plan.

Then I entered in the data for someone making $1 million a year, half of that in capital gains. The Republican calculator had no problem figuring out their tax break: $40,000.

That is true. A millionaire gets $40,000 back and a working taxpaying mother in this country gets zero.

The Washington Post editorial this morning hit it right on the nose. ''The Republicans have written a tax bill

tilted heavily toward the better off.'' They target this as ''tax trash''. If anything, this was an understatement. Everyone should take a turn on the web and see for themselves.

EXTENDING AGREEMENT BETWEEN GOVERNMENT OF UNITED STATES AND GOVERNMENT OF PEOPLE'S REPUBLIC OF CHINA CONCERNING FISHERIES OFF COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 105–106)

The SPEAKER pro tempore (Mr. LAHOOD) 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 Resources and ordered to be printed:

To the Congress of the United States:

In accordance with the Magnuson-Stevens Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801 et seq.), I transmit herewith an Agreement between the Government of the United States of America and the Government of the People's Republic of China Extending the Agreement of July 23, 1985, Concerning Fisheries Off the Coasts of the United States, with Annexes and Agreed Minutes, as amended and extended. This Agreement, which was effected by an exchange of notes at Beijing on June 6 and July 1, 1996, extends the 1985 Agreement to July 1, 1998.

In light of the importance of our fisheries relationship with the People's Republic of China, I urge that the Congress give favorable consideration to this Agreement at an early date.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1997.*

□ 1145

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1998

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 184 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2158.

□ 1145

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 further consideration of the bill (H.R. 2158) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1998, and for other purposes, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, July 15, 1997, the amendment by the gentleman from Kansas [Mr. TIAHRT] had been disposed of and the bill had been read through page 8, line 8.

The Clerk will read.

The Clerk read as follows:

MEDICIAL 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 planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; $60,160,000, plus reimbursements.

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; $853,385,000: *Provided,* That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act: *Provided further,* That funds under this heading shall be available for the conduct of medical examinations requested by the Veterans Benefits Administration in connection with claims for benefits under title 38, United States Code: *Provided further,* That none of the funds made available under this heading may be used for the relocation of the loan guaranty divisions of the Department of Veterans Affairs Regional Office in St. Petersburg, Florida to the Department of Veterans Affairs Regional Office in Atlanta, Georgia.

NATIONAL CEMETERY SYSTEM

For necessary expenses for the maintenance and operation of the National Cemetery System, not otherwise provided for, including uniforms or allowances thereof; cemeterial expenses as authorized by law; purchase of three passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, $84,183,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $31,013,000.

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, $155,600,000, to remain available until expended: *Provided,* That except for advance planning of projects 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 1998, for each approved project shall be obligated (1) by the awarding of a construction documents contract by September 30, 1998, and (2) by the awarding of a construction contract by September 30, 1999: *Provided further,* That the Secretary shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93–344): *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 one 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.

AMENDMENTS OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. LEWIS of California:

On page 11, line 7, strike ''$155,600,000'' and insert in lieu thereof ''$159,600,000''.

On page 12, line 21, strike ''$175,000,000'' and insert in lieu thereof ''$176,500,000''.

On page 13, line 19, strike ''$60,000,000'' and insert in lieu thereof ''$54,500,000''.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I appreciate being recognized. I will not take the entire 5 minutes. These two amendments are noncontroversial and supported by the Members from the areas that are affected.

The first amendment adds $4 million to VA's construction major projects account for a columbarium at the National Memorial Cemetery in Arizona.

The bill already includes the requested $9.1 million for grave site development and improvements of this construction project at the cemetery.

The second amendment adds $1.5 million to VA's construction minor projects account for expansion of the existing National Cemetery at Mobile, AL. This will permit the development of 10 acres of city-owned land for burial of veterans in the Mobile area.

These two additions are offset by a reduction in the increase recommended by the committee for the grants for construction of State extended care facilities account. The committee recommended an increase $19 million above the 1998 budget request for this account. The amendment changes the increase in that appropriations to $13.5 million above the request.

Mr. Chairman, I urge the Members to support the amendments.

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

Mr. Chairman, the gentleman from California [Mr. LEWIS] has discussed these amendments with me, and we have no objection to them.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. LEWIS].

The amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

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; $175,000,000, 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, $60,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERAN CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $10,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERAN CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $10,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for fiscal year 1998 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 1998 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 1998 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 1997.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1998 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 1998, 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 1998, that are available for dividends in that program after claims have been paid and actuarially determined reserved 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 1998, 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.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer an amendment made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON:

Page 16, after line 12, insert the following new section:

SEC. 108. (a) This section is enacted contingent on the enactment of legislation establishing the Medical Collections Fund.

(b) If the Secretary of Veterans Affairs determines that the total amount to be recovered for fiscal year 1998 for deposit to the Medical Collections Fund under the provisions of the legislation establishing such Fund will be less than the amount contained in the latest Congressional Budget Office baseline estimate (computed under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985) for the amount of such recoveries for that fiscal year by at least $25,000,000, the Secretary shall promptly certify to the Secretary of the Treasury the amount of the shortfall (as estimated by the Secretary of Veterans Affairs) that is in excess of $25,000,000. Upon receipt of such a certification, the Secretary of the Treasury shall, not later than 30 days after receiving the certification, deposit in the Medical Collections Fund, from any unobligated amounts in the Treasury, an amount equal to the amount certified by the Secretary of Veterans Affairs.

(c) If a deposit is made under subsection (b) and the Secretary of Veterans Affairs subsequently determines that the actual amount recovered for fiscal year 1998 for deposit to the Medical Collections Fund—

(1) is greater than the amount estimated by the Secretary that was used for purposes of the certification by the Secretary under subsection (b), the Secretary shall pay into the General Fund of the Treasury, from amounts available for medical care, an amount equal to the difference between the amount actually recovered and the amount so estimated (but not in excess of the amount of the deposit under subsection (b) pursuant to such certification); or

(2) is less than the amount estimated by the Secretary that was used for purposes of the certification by the Secretary under subsection (b), the Secretary shall promptly certify to the Secretary of the Treasury the amount of the shortfall.

(d) Upon receipt of a certification from the Secretary of Veterans Affairs under subsection (c)(2), the Secretary of the Treasury shall, not later than 30 days after receiving the certification, deposit in the Medical Collections Fund, from any unobligated amounts in the Treasury, an amount equal to the amount certified by the Secretary of Veterans Affairs.

Page 48, line 2, insert ''(reduced by $27,000,000)'' after ''$656,223,000,''.

Mr. SOLOMON. Mr. Chairman, let me just say that I offer this amendment on behalf of the gentleman from Wisconsin [Mr. NEUMANN] and myself. And let me, from the bottom of my heart, Mr. Chairman, commend the work of the gentleman from California [Mr. LEWIS], the chairman, and the gentleman from Ohio [Mr. STOKES], the ranking member, and their entire Subcommittee on

VA, HUD, and Independent Agencies and staff for carefully crafting a great bill and attracting bipartisan support to it. These two gentlemen, in particular, have long been strong supporters of the veterans of this Nation and particularly of our veterans' medical care delivery system, and I commend them for it. I hate to think where we would be without the leadership of both of these gentlemen.

I rise simply to build on what they have done and to offer a critically important amendment that protects the medical care dollars for our Nation's veterans.

Mr. Chairman, I am pleased to have the resounding support of every major veterans service organization in this country and the House Committee on Veterans' Affairs for this amendment that will guarantee a significant increase in VA health care funding, but more importantly, keep that funding from being decreased.

The American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, Vietnam Veterans of America, the Paralyzed Veterans of America, and the Blinded Veterans Association all have made it very clear that they are very uneasy about the existing appropriations for VA medical care and support this amendment that I am offering today.

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

THE AMERICAN LEGION,
Washington, D.C., July 14, 1997.

Hon. GERALD SOLOMON,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE SOLOMON: The American Legion fully supports your amendment to the FY 1998 VA, HUD and Independent Agencies appropriations bill which would ensure supplemental funding for VA health care in the event VA's efforts to collect and retain third-party receipts falls more than $25 million short of the $604 million projected by the Congressional Budget Office.

Under current VA rules, regulations and procedures, The American Legion questions VA's ability to recover the recommended $604 million in third-party reimbursements as outlined in the 1997 Budget Resolution. Each year, service connected veterans requiring medical care must fight to get its shart of discretionary dollars. Your amendment will greatly assist VA in meeting its obligation to provide veterans the necessary medical services they need as a result of injury or illness. Without this amendment, VA may be forced to further scale back health care services and reduce staffing levels; ultimately forcing VA to ration health care to service-connected and other eligible veterans.

Once again, The American Legion fully supports your amendment to provide supplemental funding for VA health care in the event VA's efforts to collect and retain third-party receipts falls more than $25 million short of the $604 million projected by the Congressional Budget Office. As always, your continued leadership and commitment to veterans and their families is greatly appreciated.

Sincerely,

STEVE A. ROBERTSON,
Director,
National Legislative Commission.

Mr. Chairman, the necessary increase appropriated for VA hospitals is entirely dependent on the collection of outside insurance payments. In other words, VA health care is only directly funded at $16.9 billion, and that is an actual decrease from last year, and depends on an estimate by the CBO that the VA will collect and retain more than $600 million from veterans who pay for their care with private, third-party insurance.

Mr. Chairman, I have supported the collection of those dollars for the VA since my days as the ranking member of the Committee on Veterans' Affairs. And I am very pleased now that we have this written into the law and excited that we are finally providing this sort of incentive to the VA to help fund these vital medical services.

And again, that is why I commend both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] because of their limitations that they have with their 602(b) allocations spread over all of these myriad of Departments like the Veterans Affairs Department, the Housing and all of the independent agencies, that is one of the most difficult jobs in this Congress. And that is why I offer the amendment today, because we cannot leave to chance our solemn commitment and vow to provide and maintain adequate health care for those who have served our Nation in uniform.

We owe it to them to guarantee that the budget for the VA medical care will be maintained even in the face of the inability of the VA to collect such outside payments. That is why the amendment that I am offering that was offered by the gentleman from Wisconsin [Mr. NEUMANN], sitting over here next to me, in the Committee on Appropriations is so very, very important. It implements and it pays for fail-safe language that will ensure the VA receives at least, and this is the important part, at least $579 million on top of the $16.9 billion appropriated no matter what the VA collects. That means that this amendment would guarantee nearly $17.6 billion for VA medical care. And that is the level of funding that we needed to get.

If my colleagues do not think this guarantee is necessary, just consider this: The VA collected outside payments of about $573 million in fiscal year 1995, $573 million; $557 million in 1996, that was going down; and $533 million is estimated for 1997, and that is going down.

So we can see what is happening, that these funds from third-party collections are shrinking. That is right, their collections have decreased over the last 3 years. And just to put this in more perspective, the VA predicted that they would collect $736 million initially for 1997, yet they only brought in $533 million. That is the difference, and that is why the need for this amendment.

I ask my colleagues, how can we count on them to collect $604 million next year? The truth is we just cannot.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLOMON] has expired.

(By unanimous consent, Mr. SOLOMON was allowed to proceed for 2 additional minutes.)

Mr. SOLOMON. Mr. Chairman, should we not insist on a guaranteed amount that will not jeopardize the VA's ability to deliver at least the same level of health care as last year?

This amendment I am proposing would quite simply direct the Treasury to cover any shortfall in the VA's collection of payments of more than $25 million. In other words, if the VA collects about what they have over the last few years about $550 million on average, the Treasury would transfer $29 million from unobligated funds to the VA medical care account.

However, if the VA does collect more than this $579 million threshold, let us say $590 million, then they quite simply keep it and we pay nothing additionally out of the Treasury. This safeguard builds on our willingness to try new reforms to enhance VA health care, but provides much needed reassurances to our veterans that we are not going to leave them high and dry should these reforms not live up to the expectations.

I urge my colleagues to vote yes on the Solomon-Neumann amendment and send our veterans, the administration, and the Senate a very strong message that the House is committed to guaranteeing these adequate funding levels, at least what we have been spending over the last year. That is terribly, terribly important.

And again, in closing, let me just again praise the work of the gentleman from California [Mr. LEWIS], the chairman, and the gentleman from Ohio [Mr. STOKES], the ranking member, and their committee and their staff, because they do great work for the veterans of this Nation. And being a veteran myself, I commend them for it and I thank the gentlemen for their time.

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

I rise to support this amendment. The amendment is really about the third-party payor system, which under a bill passed previously through the House, the veterans health care agencies would be allowed to collect this money.

What this amendment does is it protects the veterans that in the event the organization in Washington that estimated how much money is going to come in, in the event that organization, albeit a very fine organization, CBO, if they have made an error in the projections, this would simply guarantee the veterans that they would get at least all but $25 million of what was projected by CBO under this agreement.

That is really what this is all about. It is simply guaranteeing our veterans organizations that health care will be available for them as it has been in the past and guaranteeing the level of

funding to make sure that that can really happen.

I have with me some letters and I would just like to read a few of the inserts out of these letters. The first one is from the American Legion.

The American Legion fully supports your amendment to fiscal year 1998 VA/HUD and Independent Agencies appropriations bill, which would ensure supplemental funding for VA health care.

It goes on to say,

The Legion fully supports your amendment to provide supplemental funding for VA health care in the event the VA efforts to collect and retain third party receipts falls more than $25 million short of the $604 million projected by the Congressional Budget Office.

And that really is what this is all about.

□ 1200

It is simply a guarantee that in the event CBO has misestimated the numbers, that they will still receive the funding necessary to provide health care to our veterans.

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

Mr. NEUMANN. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I just want to commend the gentleman from Wisconsin [Mr. NEUMANN] because, when he arrived here, joined forces with people like me that have been fighting for the balanced budget over all these years and he has been such a great help. One of the reasons that we are on that glide path and we are going to get this balanced budget is because of the gentleman from Wisconsin [Mr. NEUMANN]. I wanted everyone to know, especially the veterans' families and population out there that the gentleman from Wisconsin at all times has stood up for the veterans of this Nation because when we have to balance the budget, it is not easy, we have to cut someplace. With his help, we have been able to maintain that funding. I just wanted to commend him for it. The gentleman truly is a friend of the veterans, and veterans like me appreciate that.

Mr. NEUMANN. I thank the gentleman. I very much appreciate the work of the distinguished chairman of the Committee on Rules as well as the chairman of our committee and the ranking minority member for the effort that has gone into this. I would add that in view of the overall bill, this is a relatively minor adjustment, but it is very important to the veterans of our Nation. That is why this amendment is being proposed.

There are other groups of veterans that are supporting this, and it is one right after the next, Disabled American Veterans; again I quote:

On behalf of the more than 1 million members of the Disabled American Veterans, I wish to express our appreciation and support for your amendment.

Veterans of Foreign Wars; again I quote:

This is written to express the strong support and appreciation of the Veterans of Foreign Wars for the amendment.

All our veterans are asking is to be guaranteed that the CBO numbers are within reason, accurate so that they can plan accordingly to provide appropriate health care.

Paralyzed Veterans of America; again I quote:

On behalf of the Paralyzed Veterans of America, I am writing to express our strong support for your amendment.

Blinded Veterans Association:

On behalf of the Blinded Veterans Association, a federally chartered veterans service, I just want to express our strong support for your amendment.

Vietnam Veterans of America, I have got neighbors that are Vietnam veterans where I live; again I quote:

On behalf of the membership of the Vietnam Veterans of America, I am pleased to support your amendment to fiscal year 1998 VA-HUD.

The bottom line is the veterans groups want to be assured that the health care that they have been promised is available to them. All we are doing in this amendment is making sure that the funding level that has been estimated by CBO actually comes to fruition. If there are more funds available, that is fine; it does not cost the budget anything. But if it would for some reason be that CBO has misestimated these numbers, our veterans will still be cared for in an appropriate way.

To me, veterans should receive the highest priority in this Nation. When we look at all the spending that this Government does, I think we need to start with the veterans, who have served this country so well when we consider where the dollars go.

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

Mr. Chairman, many Members probably do not realize it, but the gentleman from New York [Mr. SOLOMON] and I have a number of things in common. Among them, before becoming involved in government, we were insurance professionals. I can remember years ago spending a lot of time in the health and life insurance field dealing with this very question. A situation where veterans had private medical coverage, and were getting services at hospitals; and the money was not directly reimbursed for VA medical care purposes and they used it within that pool of funding. To me, that process seemed a bit ridiculous. In the time I have been in the Congress the question has been raised many fold, but indeed it has never been raised quite so effectively as it has been this year.

I must say that I do have some reservation about this amendment. While I intend to support it, I nonetheless have some reservation. I have a reservation only because we have language within the reconciliation process where a conference is going on with the other body right now that is likely to statutorily extend this reimbursement process for a number of years. With that reconciliation opportunity, it seems to me that it may be that the veterans service organizations are a bit anxious here. Sometimes they ask their supporters to move a little quicker than they really might like.

For example, the gentleman from Wisconsin [Mr. NEUMANN], who has done such a fabulous job on this idea, got a commitment from the full committee chairman that, if some way reconciliation fell apart on this matter, that we would return to it in conference on our bill, essentially to try to keep the pressure on those who are dealing with reconciliation.

My concern that I would suggest to the VSO's is that they could be taking pressure off of that reconciliation process by this amendment. I hope that that is not the case but it could be. I think it would have been smarter in many ways to wait until later in our process, but frankly ofttimes we find that our friends out there who represent organizations get very anxious and really do not totally have a handle on this complicated process. In the meantime, the chairman of the Committee on Rules, taking up their concern on behalf of the gentleman from Wisconsin [Mr. NEUMANN], has indeed brought the issue to us in this form.

I am not sure why the House would want to turn it down. It will cause us to discuss it in conference. I would certainly suggest that, from my point of view, no one who is involved in reconciliation presumed this is the way to get off of that hook. We expect them to act positively, and I am going to be strongly urging them to act positively.

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

Mr. Chairman, I rise just to bring to the attention of the House a little further discussion relative to the reservations that were just expressed by the chairman of the subcommittee. By the same token, I have reservations because this matter was discussed fully at the full committee level. The gentleman from Wisconsin [Mr. NEUMANN] presented the amendment at that time and I think did an excellent job of presenting the problem that veterans have faced as a result of the necessity for such a motion.

After a full discussion at the full committee level, assurance was given that in the event that the reconciliation package did not provide the type of fail-safe preservation that the veterans needed, that the Committee on Appropriations would revisit this matter and see that the veterans were made whole. Subsequently, and based upon the chairman's representation in that respect, the full committee then voted down that particular amendment at that time.

I think all of us have to realize that this problem would not have arisen had we taken care of this matter in the budget agreement that was passed here by the House. I voted against the budget agreement which was passed by the House. One of the reasons I voted

against it was because all of those who voted for it knew that that bill cut the veterans account by $2.2 billion. I think it was recognized by anyone voting for it that at some time or other the chickens would come home to roost and this matter would have to be reconciled. Of course this amendment gives people the right to have it both ways. They voted for the budget that cut veterans by $2.2 billion and by this amendment they cover themselves to try and protect them in the event that there is a shortfall.

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

Mr. STOKES. I yield to the gentleman from Wisconsin.

Mr. NEUMANN. In the full committee, our biggest problem that we had after we left full committee and entered into further discussions on it, if reconciliation passes and contains these provisions, I do not think there is anyone that has a problem in conference with eliminating this if it is already done in reconciliation at that point. But the problem we had is that, if it was not in either the House bill or the Senate bill and reconciliation failed, then the question would come up as to whether or not it would be appropriate in the conference committee to add something that was in neither the House version nor the Senate version. That is the reason we brought it here to the floor.

Again I express my respect and support for the ranking minority member of this committee.

Mr. STOKES. Mr. Chairman, reclaiming my time, I recognize and do not quarrel with the fact that the gentleman was trying to arrive at a solution to a potential problem in the future. I am just saying that I think when this budget was passed by the House, with the cut being in it, we should have all recognized, at least I recognized, that this problem was going to come up at that time.

Mr. GILMAN. Mr. Chairman, I rise today in strong support of the amendment being offered by my colleague from New York, the chairman of the Rules Committee. This amendment would provide a much needed safety net for veterans health care should the need arise in the future.

Under the current balanced budget agreement, VA health care appropriations are frozen over the next several years rather than increasing, as they have traditionally done. In return, the VA will be allowed to collect and retain third party insurance and Medicare payments.

The funds collected from these payments in theory will make up for those funds that would have resulted from future budget increases. The CBO estimates that $604 million would be collected in this manner.

This amendment would guarantee the VA an additional $579 million in the event that the third party collection program is not as successful as envisioned. It would take effect if the third party collections fell more than $25 million short of the CBO projection.

In terms of cost, this amendment would require $14 million to implement. The funds for this would come from the EPA budget, while leaving the funding for that program well over the President's request.

Mr. Chairman, the health of our Nation's veterans is far too important to rely on unproven and untested national programs. Veterans benefits are true entitlements; they were earned by sacrifice and blood. This amendment is supported by our Nation's veterans organizations and is a welcome step toward correcting a dangerously low health care appropriation.

Accordingly, I urge all of my colleagues to join in supporting Representative SOLOMON's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

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 the head ''Preserving Existing Housing Investment'') or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $10,393,000,000, to remain available until expended: *Provided,* That of the total amount provided under this heading, $9,200,000,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts: *Provided further,* That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to housing vouchers during fiscal year 1998: *Provided further,* That of the total amount provided under this heading, $850,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended: *Provided further,* That of the total amount provided under this heading, $343,000,000 shall be for section 8 rental assistance under the United States Housing Act including assistance to relocate residents of properties (i) that are owned by the Secretary and being disposed of or (ii) that are discontinuing section 8 project-based assistance; for the conversion of section 23 projects to assistance under section 8; for funds to carry out the family unification program; and 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: *Provided further,* That of the total amount made available in the preceding proviso, $50,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act or the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 1361l).

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

Notwithstanding any other provision of law, of the amounts recaptured under this heading during fiscal year 1998 and prior years, $565,000,000, heretofore maintained as section 8 reserves made available to housing agencies for tenant-based assistance under the section 8 existing housing certificate and housing voucher programs, are rescinded.

All balances remaining in the Preserving Existing Housing Investment Account for Preservation shall be transferred to and merged with the amounts previously provided for those purposes under this head.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund Program under the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,500,000,000, to remain available until expended for modernization of existing public housing projects as authorized under section 14 of such Act: *Provided,* That of the total amount, $30,000,000 shall be for carrying out activities under section 6(j) of such Act and technical assistance for the inspection of public housing units, contract expertise, and training and technical assistance directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public housing program and for lease adjustments to section 23 projects: *Provided further,* That of the amount available under this heading, $5,000,000 shall be for the Tenant Opportunity Program: *Provided further,* That all balances, as of September 30, 1997, of funds heretofore provided (other than for Indian families) for the development or acquisition costs of public housing, for modernization of existing public housing projects, for public housing amendments, for public housing modernization and development technical assistance, for lease adjustments under the section 23 program, and for the Family Investment Centers program, shall be transferred to and merged with amounts made available under this heading.

PUBLIC HOUSING OPERATING FUND

(INCLUDING TRANSFER OF FUNDS)

For payments to public housing agencies for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $2,900,000,000, to remain available until expended: *Provided,* That all balances outstanding, as of September 30, 1997, of funds heretofore provided (other than for Indian families) for payments to public housing agencies for operating subsidies for low-income housing projects, shall be transferred to and merged with amounts made available under this heading.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

(INCLUDING TRANSFER OF FUNDS)

For grants to public and Indian housing agencies 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, $290,000,000, to remain available until expended, of which $10,000,000 shall be for grants, technical assistance, contracts and other assistance training, program assessment, and execution for or on behalf of public housing agencies, resident organizations, and Indian Tribes and their Tribally designated housing entities (including the cost of necessary travel for participants in such

training); $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; and $10,000,000 shall be provided to the Office of Inspector General for Operation Safe Home: *Provided,* That the term ''drug-related crime'', as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary: *Provided further,* That notwithstanding section 5130(c) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(c)), the Secretary may determine not to use any such funds to provide public housing youth sports grants.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for assisting in the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (including remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937; and for providing replacement housing and assisting tenants to be displaced by the demolition, $524,000,000, to remain available until expended, of which the Secretary may use up to $5,000,000 for technical assistance, 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 no funds appropriated in this title shall be used for any purpose that is not provided for herein, in the Housing Act of 1937, in the Appropriations Acts for Veterans Affairs, Housing and Urban Development, and Independent Agencies, for the fiscal years 1993, 1994, and 1995, and the Omnibus Consolidated Rescissions and Appropriations Act of 1996: *Provided further,* 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.

NATIVE AMERICAN HOUSING BLOCK GRANTS (INCLUDING TRANSFERS 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 (Public Law 104–330), $650,000,000, to remain available until expended, of which $5,000,000 shall be used 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 all balances outstanding as of September 30, 1997, previously appropriated under the headings ''Annual Contributions for Assisted Housing'', ''Development of Additional New Subsidized Housing'', ''Preserving Existing Housing Development'', ''HOME Investment Partnerships Program'', ''Emergency Shelter Grants Program'', and ''Homeless Assistance Funds'', identified for Indian Housing Authorities and other agencies primarily serving Indians or Indian areas, shall be transferred to and merged with amounts made under this heading.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739) $3,000,000, 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 $36,900,000.

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), $204,000,000, to remain available until expended: *Provided,* That of the amount made available under this heading for non-formula allocation, the Secretary may designate, on a noncompetitive basis, one or more nonprofit organizations that provide meals delivered to homebound persons with acquired immunodeficiency syndrome or a related disease to receive grants, not exceeding $250,000 for any grant, and the Secretary shall assess the efficacy of providing such assistance to such persons.

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), $4,600,000,000, to remain available until September 30, 2000: *Provided,* That $67,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of the Act; $2,100,000 shall be available as a grant to the Housing Assistance Council; $1,500,000 shall be available as a grant to the National American Indian Housing Council; $25,100,000 shall be for grants pursuant to section 107 of such Act; $11,500,000 shall be for the Community Outreach Partnership program; $16,700,000 shall be for grants pursuant to section 11 of the Housing Opportunity Program Extension Act of 1996 (Public Law 104–120): *Provided further,* That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available under the preceding proviso 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.

Of the amount provided under this heading, the Secretary of Housing and Urban Development may use up to $50,000,000 for grants to public housing agencies (including Indian housing authorities), nonprofit corporations, and other appropriate entities for a supportive services program to assist residents of public and assisted housing, former residents of such housing receiving tenant-based assistance under section 8 of such Act (42 U.S.C. 1437f), and other low-income families and individuals to become self-sufficient: *Provided,* That the program shall provide supportive services, principally for the benefit of public housing residents, to the elderly and the disabled, and to families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs: *Provided further,* That the supportive services may include congregate services for the elderly and disabled, service coordinators, and coordinated educational, training, and other supportive services, including academic skills training, job search assistance, assistance related to retaining employment, vocational and entrepreneurship development and support programs, transportation, and child care: *Provided further,* That the Secretary shall require applications to demonstrate firm commitments of funding or services from other sources: *Provided further,* That the Secretary shall select public and Indian housing agencies to receive assistance under this head on a competitive basis, taking into account the quality of the proposed program, including any innovative approaches, the extent of the proposed coordination of supportive services, the extent of commitments of funding or services from other sources, the extent to which the proposed program includes reasonably achievable, quantifiable goals for measuring performance under the program over a three-year period, the extent of success an agency has had in carrying out other comparable initiatives, and other appropriate criteria established by the Secretary.

Of the amount provided under this heading, $50,000,000 shall be for Economic Development Grants.

Of the amount made available under this heading, notwithstanding any other provision of law, $30,000,000 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.

Of the amount made available under this heading, notwithstanding any other provision of law, $60,000,000 shall be available for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992.

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. 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 departmental salaries and expenses.

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, $1,500,000,000, to remain available until expended: *Provided,* That up to $7,000,000 shall be available for the development and operation of integrated community development management information systems: *Provided further,* That $15,000,000 shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968: *Provided further,* That up to $10,000,000 shall be available to carry out a demonstration program in which the Secretary makes grants to up to three non-profit community development financial institutions (as defined in section 103(5) of the Community Development Banking and Financial Institutions Act of 1994), selected on a noncompetitive basis, to demonstrate methods of expanding homeownership opportunities

for low-wealth borrowers, including expanding the secondary market for non-conforming home mortgage loans to low-wealth borrowers: *Provided further,* That grantees shall have experience in working with lenders who make non-conforming loans to low-income borrowers, have experience in expanding the secondary market for such loans, have demonstrated success in carrying out such activities with non-Federal funds, and have demonstrated the ability to provide data on the performance of such loans sufficient to allow analysis of the investment risk of such loans.

SUPPORTIVE HOUSING PROGRAM

(RESCISSION)

Of the funds made available under this heading in Public Law 102–389 and prior laws for the Supportive Housing Demonstration Program, as authorized by the Stewart B. McKinney Homeless Assistance Act, $6,000,000 of funds recaptured during fiscal year 1998 shall be rescinded.

SHELTER PLUS CARE

(RESCISSION)

Of the funds made available under this heading in Public Law 102–389 and prior laws for the Shelter Plus Care program, as authorized by the Stewart B. McKinney Homeless Assistance Act, $4,000,000 of funds recaptured during fiscal year 1998 shall be rescinded.

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), $823,000,000, to remain available until expended.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families under the United States Housing Act of 1937, as amended (42 U.S.C. 1437), not otherwise provided for, $839,000,000, to remain available until expended: *Provided,* That of the total amount provided under this heading, $645,000,000 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 supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959; and $194,000,000 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, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive 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 section 202 of the Housing Act of 1959 and section 811 of the National Affordable Housing Act (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: *Provided further,* That all obligated and unobligated balances remaining in either the ''Annual Contributions for Assisted Housing'' account or the ''Development of Additional New Subsidized Housing'' account for capital advances, including amendments to capital advances, 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 supportive housing for the elderly, under section 202(c)(2) of such Act, shall be transferred to and merged with the amounts for those purposes under this heading; and, all obligated and unobligated balances remaining in either the ''Annual Contributions for Assisted Housing'' account or the ''Development of Additional New Subsidized Housing'' account for capital advances, including amendments to capital advances, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzales National Affordable Housing Act, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for persons with disabilities, as authorized under section 811 of such Act, shall be transferred to and merged with the amounts for those purposes under this heading.

OTHER ASSISTED HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z–1) is reduced in fiscal year 1998 by not more than $7,350,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts: *Provided,* That up to $125,000,000 of recaptured budget authority shall be canceled.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 1997, and any collections made during fiscal year 1998, 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 1998, 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 $110,000,000,000.

During fiscal year 1998, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $200,000,000: *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, $333,421,000, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed $326,309,000 shall be transferred to the appropriation for departmental salaries and expenses; and of which not to exceed $7,112,000 shall be transferred to the appropriation for the Office of Inspector General.

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), $81,000,000, 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 $17,400,000,000: *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(a), and 519(a) of the National Housing Act, shall not exceed $120,000,000; of which not to exceed $100,000,000 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, $222,305,000, of which $218,134,000, including $25,000,000 for the enforcement of housing standards on FHA-insured multifamily projects, shall be transferred to the appropriation for departmental salaries and expenses; and of which $4,171,000 shall be transferred to the appropriation for the Office of Inspector General.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 1998, 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 $130,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000, to be derived from the Ginnie Mae-guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for 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, $39,000,000, to remain available until September 30, 1999.

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, $30,000,000, to remain available until September 30, 1999, of which $15,000,000 shall be to carry out activities pursuant to such section 561. 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.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER 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, $1,005,826,000, of which $544,443,000 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, and $1,000,000 shall be provided from the ''Community Development Grants Program'' account.

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, $66,850,000, of which $11,283,000 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 ''Drug Elimination Grants for Low Income Housing'' account.

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, $16,312,000, 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

SEC. 201. DELAY REISSUANCE OF VOUCHERS AND CERTIFICATES.—

Section 403(c) of The Balanced Budget Downpayment Act, I is amended—

(A) by striking ''fiscal years 1996 and 1997'' and inserting ''fiscal years 1996, 1997, and 1998''; and

(B) by inserting before the semicolon the following: ''and October 1, 1998 for assistance made available during fiscal year 1998''.

SEC. 202. SECTION 8 RENT ADJUSTMENTS.—Section 8(c)(2)(A) of the United States Housing Act of 1937 is amended—

(1) in the third sentence, by striking ''fiscal year 1997'' and inserting ''fiscal years 1997 and 1998''; and

(2) in the last sentence, by striking ''fiscal year 1997'' and inserting ''fiscal years 1997 and 1998''.

SEC. 203. The part of the HUD 1996 Community Development Block Grant to the State of Illinois which is administered by the State of Illinois Department of Commerce and Community Affairs (grant number B–96–DC–170001) and which, in turn, was granted by the Illinois Department of Commerce and Community Affairs to the city of Oglesby, Illinois, located in LaSalle County, Illinois (State of Illinois Department of Commerce and Community Affairs grant number 96–24104), for the purpose of providing infrastructure for a warehouse in Oglesby, Illinois, is exempt from the provisions of section 104(g)(2), (g)(3), and (g)(4) of title I of the Housing and Community Development Act of 1974 as amended.

SEC. 204. ANNUAL ADJUSTMENT FACTORS.—Section 8(c)(2)(A) of the United States Housing Act of 1937 is amended by inserting the following new sentences at the end: ''In establishing annual adjustment factors for units in new construction and substantial rehabilitation projects, the Secretary shall take into account the fact that debt service is a fixed expense. The immediately foregoing sentence shall be effective only during fiscal year 1998.''.

SEC. 205. MINIMUM RENTS.—Section 402(a) of The Balanced Budget Downpayment Act, I (Public Law 104–99; 110 Stat. 40) is amended by inserting ''and fiscal year 1998'' after ''fiscal year 1997''.

SEC. 206. HOME PROGRAM FORMULA.—The first sentence of section 217(b)(3) of the Cranston-Gonzalez National Affordable Housing Act is amended by striking ''only those jurisdictions that are allocated an amount of $500,000 or greater shall receive an allocation'' and inserting in lieu thereof the following: ''jurisdictions that are allocated an amount of $500,000 or more, and participating jurisdictions (other than consortia that fail to renew the membership of all of their member jurisdictions) that are allocated an amount less than $500,000, shall receive an allocation''.

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; $26,897,000, to remain available until expended: *Provided,* That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further,* That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further,* That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it.

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, $125,000,000, to remain available until September 30, 1999, of which $20,000,000 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 $53,000,000: *Provided further,* That not more than $40,000,000 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, $44,000,000.

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.), $400,500,000, to remain available until September 30, 1999: *Provided,* That not more than $29,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)): *Provided further,* That not more than $2,500 shall be for official reception and representation expenses: *Provided further,* That not more than $69,000,000, 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 $10,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further,* That not more than $201,000,000 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): *Provided further,* That not more than $5,500,000 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 $30,000,000 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.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $2,000,000.

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. sections 7251–7298, $9,319,000, of which $790,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set fourth, 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 two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $11,815,000, 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 rate for GS–18; 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, $656,223,000, which shall remain available until September 30, 1999: *Provided,* That $35,000,000 of the funds appropriated under this heading shall be transferred to the National Institute of Environmental Health Sciences to conduct and administer a comprehensive, peer-reviewed particulate matter research program.

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 rate for GS–18; 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, $1,763,352,000, which shall remain available until September 30, 1999.

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, $28,501,000, to remain available until September 30, 1999.

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, $182,120,000, to remain available until expended: *Provided,* That the Environmental Protection Agency is authorized to establish and construct a consolidated research facility at Research Triangle Park, North Carolina, at a maximum total construction cost of $272,700,000, and to obligate such monies as are made available by this Act for this purpose.

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; not to exceed $1,500,699,000, to remain available until expended, consisting of $1,250,699,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund 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 $11,641,000 of the funds appropriated under this heading shall be transferred to the ''Office of Inspector General'' appropriation to remain available until September 30, 1999: *Provided further,* That notwithstanding section 111(m) of CERCLA or any other provision of law, $80,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry 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 $35,000,000 of the funds appropriated under this heading shall be transferred to the ''Science and Technology'' appropriation to remain available until September 30, 1999: *Provided further,* That $85,000,000 of the funds appropriated under this heading shall be for Brownfields assessments, training and administrative expenses only: *Provided further,* That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1998.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

(INCLUDING TRANSFER OF FUNDS)

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, $60,000,000, to remain available until expended: *Provided,* That no more than $9,100,000 shall be available for administrative expenses.

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, and to remain available until expended: *Provided,* That not more than $9,000,000 of these funds shall be available for administrative expenses.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,026,182,000, to remain available until expended, of which $1,250,000,000 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, and $750,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended; $50,000,000 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; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; $15,000,000 for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages as provided by section 303 of Public Law 104–182; $160,925,000 for making grants for the construction of wastewater and water treatment facilities and the development of groundwater in accordance with the terms and conditions specified for such grants in the report accompanying this Act; and $750,257,000 for grants to States, federally recognized tribes, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related 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, beginning in fiscal year 1998 and thereafter

from funds appropriated under this heading, the Administrator is authorized to make grants to federally recognized Indian governments for the development of multi-media environmental programs: *Provided further,* That, hereafter, the funds available under this heading for grants to States, federally recognized tribes, and air pollution control agencies for multi-media or single media pollution prevention, control, and abatement and related activities may also be used for the direct implementation by the Federal Government of a program required by law in the absence of an acceptable State or tribal program.

WORKING CAPITAL FUND

Under this heading in Public Law 104–204, delete the following: the phrases, ''franchise fund pilot to be known as the''; ''as authorized by section 403 of Public Law 103–356,''; and ''as provided in such section''; and the final proviso. After the phrase, ''to be available'', insert ''without fiscal year limitation''.

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, $4,932,000.

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, $2,506,000: *Provided,* 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, $34,365,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $500,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $1,495,000, 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, $341,000.

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 rate for GS–18; 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, $171,773,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $4,803,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

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, $321,646,000: *Provided,* That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131 (b) and (c) and 42 U.S.C. 5196 (e) and (i), $50,000,000 of the funds made available under this heading shall be available until expended for project grants for State and local governments, and $60,000,000 of the funds made available under this heading shall be available until expended for planning and construction costs of a full-scale windstorm simulation center in conjunction with the Partnership for Natural Disaster Reduction.

□ 1215

AMENDMENT OFFERED BY MR. STOKES

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

The CHAIRMAN. The Chair would inquire of the gentleman, is it the amendment originally suggested by the gentleman from Minnesota [Mr. VENTO]?

Mr. STOKES. Mr. Chairman, this would be the conforming amendment that was referenced by the gentleman from Wisconsin [Mr. OBEY] last night when he presented his other part of this particular amendment.

The Clerk read as follows:

Amendment offered by Mr. STOKES:

On page 57, line 12, strike all after ''governments'' through ''Reduction'' on line 17.

Mr. STOKES. Mr. Chairman, my colleagues will recall that last night when the gentleman from Wisconsin [Mr. OBEY] presented his amendment that he referenced the fact that in order to perfect it to the wind tunnel that he would have to have a conforming amendment. This is a conforming amendment in order to perfect the amendment which he sponsored last night. At this time we would present the conforming amendment in order to comply with the reference made by the gentleman from Wisconsin last night relative to his original motion.

The amendment of Mr. OBEY last night would remove the earmark of the wind tunnel and the conforming amendment removes the appropriation related to it.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. STOKES].

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

Mr. LEWIS of California. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 184, further proceedings on the amendment offered by the gentleman from Ohio [Mr. STOKES] will be postponed.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask unanimous consent that we be allowed to go back to title II. I am sorry, I was on my way over when I got a phone call saying that we were moving through title I. I was wondering if the Chairman would offer us that consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. SENSENBRENNER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

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, $100,000,000: *Provided,* That total administrative costs shall not exceed three and one-half percent of the total appropriation.

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, and the National Flood Insurance Reform Act of 1994, not to exceed $21,610,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $78,464,000 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, 1999. In fiscal year 1998, no funds in excess of (1) $47,000,000 for operating expenses, (2) $375,165,000 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 1998, 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 the date ''1997'' and inserting in lieu thereof the date ''1998''.

ADMINISTRATIVE PROVISION

The Director of the Federal Emergency Management Agency shall promulgate

through rulemaking a methodology for assessment and collection of fees to be assessed and collected beginning in fiscal year 1998 applicable to persons subject to the Federal Emergency Management Agency's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1998 shall approximate, but not be less than, 100 per centum of the amounts anticipated by the Federal Emergency Management Agency to be obligated for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable, and shall reflect the full amount of costs of providing radiological emergency planning, preparedness, response and associated services. Such fees shall be assessed in a manner that reflect the use of agency resources for classes of regulated persons and the administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the general fund of the Treasury as offsetting receipts. Assessment and collection of such fees are only authorized during fiscal year 1998.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,419,000, 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 1998 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts: *Provided further*, That notwithstanding any other provision of law, the Consumer Information Center may accept and deposit to this account, during fiscal year 1998 and hereafter, gifts for the purpose of defraying its costs of printing, publishing, and distributing consumer information and educational materials and undertaking other consumer information activities; may expend those gifts for those purposes, in addition to amounts appropriated or otherwise made available; and the balance shall remain available for expenditure for such purpose.

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, $5,426,500,000, to remain available until September 30, 1999.

AMENDMENT OFFERED BY MR. SENSENBRENNER

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

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. Point of order is reserved. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SENSENBRENNER:

Page 61, line 13, insert ''(reduced by $100,000,000)'' after ''$5,426,500,000''.

Mr. SENSENBRENNER. Mr. Chairman, this amendment reduces the amount for human space flight by $100 million to eliminate the request that has been made by someone for Russian program assurance in the Space Station Program. The $100 million was not requested either by NASA or by the administration, but suddenly appeared in the appropriation bill as a result of some negotiations that I do not think we really have gotten the full explanation for.

Let me say that if this amendment is adopted, NASA will get every penny for the space station that it has requested. The amendment allows for the full funding of the space station, and I think that NASA ought to be held accountable for the request that it has made and to build the space station according to the budget line that it has announced for a number of years.

The real shame that has occurred during the debate on this appropriation bill, in my opinion, is that some people have alleged that reducing the line for Russian program assurance places the space station in jeopardy.

Let me say that I have consistently supported fully funding the space station since day one. That continues to be my position. I believe we need a space station led by the United States and that the space station design that NASA has been with for the last 3½ years is a good one. We ought to fund it, we ought to build it, and we ought to put it in orbit.

On the other hand, I am very concerned that money in the reserves for the space station are being used to finance patching up failures of the Russian Government to do what it agreed to do, and by having $100 million extra in the space station account we are just encouraging the Russians to continue to delay and default because they know that the American taxpayer will end up picking up the tab for it.

I am opposed to it. I think that the majority of the American people are opposed to it. This is a question of accountability of NASA. NASA should tell the Congress and tell the American public exactly how much the agreement that they made with the Russians is costing the American taxpayer. Giving them $100 million more in Russian program assurance will just delay that day of reckoning.

I would urge the adoption of this amendment that just is a straight reduction of the $100 million, will be used to reduce the deficit if there is a lockbox amendment that ends up being approved. I think that this is prudent policy, and it also will make NASA accountable for the money that it spends.

Mr. LEWIS of California. Mr. Chairman, first let me withdraw my point of order. This is a different amendment than I anticipated.

The CHAIRMAN. The point of order is withdrawn.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would urge Members as well as those in Members' offices who might be watching this discussion to focus on this amendment with great care. The gentleman from Wisconsin [Mr. SENSENBRENNER] and I share in common a great interest in our work in space. We also have had many a discussion and share both interest and concern about international space station and that international partnership that has been formed with the United States and a number of our allies regarding our work in space. It is my concern that there are economic difficulties relative to some in that partnership and especially the Russian part of that partnership. Having expressed that concern in many a forum, I nonetheless suggest that this amendment which would affect $100 million relative to the Russian program for assurance could very well have a serious impact upon that partnership.

Indeed, we are attempting to make sure that we continue with a foundation of international partnership in a solid way that allows space station to progress on a schedule and calendar that will assure, indeed, its success. I am most concerned that this action could itself impact dramatically the partnership and, in turn, could affect the schedule for the station.

Mr. Chairman, I would love to hear from the Science Committee. If all those things should occur, I would love to hear from the committee what their game plan is at the other end in terms of assuring station success.

Now further, it is my view that if this partnership should unravel because of some untoward action, and indeed we could find ourself in a circumstance where station is not just delayed, station could be undermined itself, and that in turn could have a horrendous impact upon NASA's work.

With all those things in mind, I know the membership is most sensitive about just how successful we are being these days in space. None of us would have asked for a Mir accident, the tragedy that we have experienced there. At the same time, all of us who focused on that accident know that as a result of that we have learned a great deal. We could not have asked for a more productive and valuable experiment in terms of that kind of difficulty and potential in space.

□ 1230

None of us could be more excited than I am about the mission to Mars and the tremendous message it sends to the world about America's future in space. But, indeed, it is very important that we not unilaterally take some untoward action that could indeed undermine the pathway we are on at this point in time.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, just a couple of questions. If the gentleman from California [Mr. LEWIS] can tell the membership of the House, did the administration request this $100 million for NASA program assurance?

Mr. LEWIS of California. President Clinton's administration did not.

Mr. SENSENBRENNER. Did NASA, which is part of the administration, request the $100 million for Russian program assurance?

Mr. LEWIS of California. NASA does tell me that the administration does support the $100 million in their statement of administration policy on this bill. Frankly, I get different messages from different locations. But NASA is supporting that policy position.

Mr. SENSENBRENNER. So the President did not request it, but NASA is supporting the $100 million. I think the administration ought to get its act together and hope the amendment being adopted will help them do that.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, I might suggest that the gentleman and I are in agreement on his last statement. But frankly, where we do the coordinating is maybe the disagreement here. I frankly have the highest level of confidence in the work that is being done by NASA at this moment, and, indeed, it seems to me if we find ourselves in a situation where we need to review this further, we certainly could readdress the question at conference.

In the meantime, at this point I would urge the Members to be most cautious about dealing with a small figure in the total circumstance of our entire budget but a very sizeable figure in terms of flexibility we need in dealing with space station, and the problems with this partnership. Indeed, this is an item that is ahead of its time. I urge the Members to vote ''no'' on the amendment.

Mr. LAMPSON. Mr. Chairman, I intended to speak on my opposition to the Rohrabacher-Roemer amendment. This amendment was promoted to the members of this body in a letter headlined ''If You Won't Kill It, Chill It.'' What the sponsors of this amendment fail to remember is that earlier in this session, we had a referendum on the international space station. It was proposed by my good friend from Indiana. His amendment to kill the space station was soundly rejected. This body has made a commitment to the space station. We have done so, I believe, because we realize the space station is the next step for scientific and technological discoveries.

While we debate this issue on the floor of the House today, the Pathfinder is sending us new and valuable information about Mars. I am sure we all agree the Pathfinder has been a complete success so far. America's fascination with space has been rekindled. Internet sites that posted pictures from the mission have been overwhelmed by people who wanted to see them. That fascination encourages students to work harder and scientists to be daring in finding the solutions that have eluded mankind here on Earth.

And while we debate this issue on the floor of the House today, the Space Shuttle Columbia orbits the Earth on a 16-day scientific mission. Space is the future of research and development of new technologies.

We all know the problems of the Russian economy. We know why there are delays on the delivery of their flight hardware. None of us like having to make these contingency plans. But bear in mind, the delays caused by Russia's inability to make good on their commitments cost us money, as well. Our Russian Program Assurance funds are not a blank check. They are, in fact, a prudent attempt to keep the project moving forward at a point when over 200,000 pounds of flight hardware has already been constructed. NASA tells us that waiting until the Russians are able to deliver the Service Module will cost the U.S. $300 million. That would be the result of the passage of this amendment—more costs and longer delays.

We have an interim control module under development and other Step 1 contingency plans in the works. The passage of this amendment would end production on the ICM and many of the contingencies, placing the space station and our entire investment thus far on the fragile shoulders of Russia.

Mr. Speaker, I'm not willing to do that. It doesn't make sense.

Finally, this amendment takes money from one NASA account and places it into another—and does so against NASA's wishes. There is no budget savings involved. This is a strike at the very heart of our commitment to the international space station. That's what is on the line when you cast your vote.

We didn't kill the space station back in April. In fact, we demonstrated strong, bipartisan support. And now my colleagues ask us to chill the space station? I would encourage my colleagues to keep progress on the space station red hot.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I do not believe that it is appropriate to cut the funding of NASA. It is true that the members of the Appropriations Committee saw the need to include additional funding for NASA's Human Space Flight, $100 million, for Russian Program Assurance [RPA], and Science, Aeronautics and Technology, $48 million programs. We must keep in mind that even though this may seem to be a significant addition, the budget of NASA over the last few years has been systematically cut. However, NASA has been able to continue forward with its involvement and leadership in the international space station.

As a Step I contingency activity do to the Russian Service Module delay, the U.S. Naval Research Laboratory is constructing the Interim Control Module [ICM] of the space station. Without these funds for fiscal year 1998, NASA would be forced to terminate the activity which could jeopardize the entire international space station international effort. It would place the entire international team in a position of having to solely depend on the Russian delivery of the service module. The valuable research that will result from the international space station would be in seriously jeopardy.

Just think of the Space Shuttle Columbia that lifted off on the first of this month and is currently flying over our heads even as we speak. This is a good first step to the many scientific experiments that will take place on the international space station. The experiments that are currently taking place, right now, on the manned space shuttle will benefit every single one of us here on Earth. The international space station will allow for even greater breakthroughs via scientific experiments in space. Human space flight if critical to performing necessary and beneficial research experiments in space and should be increasingly funded. When the Space Shuttle Columbia lands successfully today, the crew will have completed valuable scientific experiments and research that benefits everyone. The international space station promises to be ever more valuable to each and every one of us here on Earth.

By now, everyone is familiar with the successful landing of the Pathfinder Explorer on Mars. We have all seen the fantastic pictures of the geological feature and rocks on the red planet. Would this be possible if we did not adequately fund NASA—no. The national and international excitement that this mission has generated has been phenomenal. It is estimated that NASA's Jet Propulsion Laboratory web site, which displays pictures from Mars, will break the record for numbers of individuals to log into a specific web site. Funding of NASA is crucial to our continued leadership in space. Funding of the Russian Program Assurance is crucial to the continued international efforts of the international space station.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER].

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

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

The CHAIRMAN. Pursuant to House Resolution 184, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER] will be postponed.

PARLIAMENTARY INQUIRY

Mr. VENTO. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. VENTO. Mr. Chairman, on page 57, line 21, I have an amendment. Have we read to that point in the bill yet?

The CHAIRMAN. The reading has progressed beyond that point.

Mr. VENTO. This is in the same title.

The CHAIRMAN. The Chair was simply stating an answer to the gentleman's question.

Mr. VENTO. Are we on page 61, line 13?

The CHAIRMAN. The human space flight paragraph is pending.

Mr. VENTO. I have an amendment at the desk that amends that as well as a previous line in the bill. Is this amendment in order at this time, Mr. Chairman? It has been printed in the RECORD.

The CHAIRMAN. Only by unanimous consent.

Mr. VENTO. I ask unanimous consent to offer this amendment in this title, Mr. Chairman, in that it amends this particular provision.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. LEWIS of California. Mr. Chairman, I reserve the right to object.

Mr. GILMAN. Mr. Chairman.

The CHAIRMAN. The gentleman from California [Mr. LEWIS] has the time under his reservation to the unanimous-consent request of the gentleman from Minnesota [Mr. VENTO].

The gentleman from California [Mr. LEWIS] controls the time.

Mr. GILMAN. Mr. Chairman, will the gentleman from California [Mr. LEWIS] yield?

The CHAIRMAN. There is a unanimous-consent request pending before the House. The gentleman from Minnesota [Mr. VENTO] can withdraw his unanimous-consent request for the time being.

Mr. VENTO. Mr. Chairman, I withdraw my unanimous-consent request.

Mr. GILMAN. Mr. Chairman, I ask unanimous consent to submit a statement in support of the Solomon amendment that was taken up in title I, and ask that my statement be made part of the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. VENTO. Mr. Chairman, I renew my unanimous-consent request.

The CHAIRMAN. The gentleman from California [Mr. LEWIS] reserves the right to object, and controls the time.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I did submit this amendment for the RECORD yesterday. What it seeks to do is to reduce funding for the manned space program and transfer some money in the FEMA emergency food and shelter program.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, I would say to the gentleman that we have received encouragement on both sides of the aisle from our leadership to proceed as rapidly as possible, and indeed, we have proceeded very rapidly this morning. We have two other bills that need to be completed by Thursday. Because of that, I would have to object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

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, $5,690,000,000, to remain available until September 30, 1999.

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; $2,513,200,000, to remain available until September 30, 1999.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $18,300,000.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

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.

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

Mr. Chairman, I would like to engage the gentleman in a colloquy.

Mr. Chairman, the chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations and I reached an agreement on the NASA transfer authority contained in H.R. 2158 for the International Space Station which allows the NASA administrator to transfer up to $150 million from the science, aeronautics, and technology account and the mission support account to the International Space Station Program. This authority is contained on page 64, lines 8 through 22 of the Union Calendar bill.

I agreed not to raise a point of order against the transfer authority in exchange for a commitment by the gentleman from California [Mr. LEWIS] that any conference report to H.R. 2158 containing transfer authority language would require NASA to obtain approval from both the House Committee on Science, in addition to approval from the Committee on Appropriations.

This agreement is critical to protect the oversight responsibilities of the authorization committee, and I thank the chairman of the Subcommittee on VA, HUD and Independent Agencies for his assurances that will require the NASA administrator to formally request, justify, and obtain prior approval from the Committee on Science before utilizing the transfer authority contained in this legislation.

In this way, the committees will be able to hold NASA accountable for any decision to transfer funds into the space station account. Is it the distinguished subcommittee chairman's commitment, based upon our agreement, not to support any conference report for H.R. 2158 which contains NASA transfer authority unless it also includes report language requiring prior approval, on a case-by-case basis, by the Committee on Appropriations and the Committee on Science of any transfers by NASA?

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

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

Mr. LEWIS of California. Mr. Chairman, let me respond to the gentleman from Wisconsin [Mr. SENSENBRENNER]. Based upon our agreement, it is my intention to encourage the conference to have report language that involves such oversight of any transfer responsibility. I expect I will be successful with that effort.

The gentleman has my assurances that the conference on H.R. 2158 will contain the language, insofar as I can convince the entire conference. I will be very surprised if they are not responsive.

In addition, I feel the gentleman should know that with this right does go our responsibility to deal in an expeditious manner on any agency request, and ask that the gentleman give me his assurance that he will deal with any such transfer request quickly.

Mr. SENSENBRENNER. Mr. Chairman, the gentleman does have my assurance of that. I thank the gentleman from California. I appreciate the new requirement that both the House appropriators and authorizers for NASA must improve future transfers.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I just want to indicate my own support for the position that the gentleman has taken with regard to the transfer authority. I also appreciate the fact that he has reached agreement with the gentleman from California [Mr. LEWIS], and I certainly will do everything that I can to help implement the agreement that has been reached.

Mr. SENSENBRENNER. I thank the gentleman from California.

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

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

Mr. ROHRABACHER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, there will be a vote on this floor on the amendment offered by

the gentleman from Wisconsin [Mr. SENSENBRENNER] on the amendment that he was kind enough to offer on my behalf a few moments ago. I hope my colleagues would look at this very closely.

It is the hope where authorizers who have spent a lot of time trying to determine priorities for America's space program were ignored, and basically one appropriator was able to use his power to change the priorities; where I have the greatest respect for the gentleman from California [Mr. LEWIS], we have a disagreement on what that priority should be in this particular case. I hope those people would stand up for a system that works and a system that is responsible; that is, with the authorizers as part of the process, and support the Rohrabacher amendment when it comes to a vote.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows.

Nothwithstanding 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, 2000.

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, 1998 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.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do this for the purpose of entering into a colloquy with the distinguished chairman of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations, if the gentleman is willing.

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

Mr. BROWN of California. I yield to the gentleman from California.

Mr. LEWIS of California. I would be happy to, if the gentleman makes sure I know the subjects.

Mr. BROWN of California. Mr. Chairman, this has to do with the funding which the bill provides for the United States-Mexico Foundation for Science.

Mr. Chairman, I rise for the purpose of engaging in a colloquy with my good friend, the gentleman from California [Mr. LEWIS], and chairman of the Appropriations subcommittee. I want to commend the chairman for including in this legislation the small sum of $1 million each from the National Science Foundation, the Environmental Protection Agency, and NASA for the United States-Mexico Foundation for Science. The foundation funds Mexican and American researchers on projects of mutual interest and benefit, and has received support from the two governments since 1991.

I might interject that the Mexican government has been very supportive and has indicated the desire to contribute considerably more money than the United States. Government has at this point.

I would like to further clarify the chairman's intent regarding the interaction of these three agencies with the foundation. My experience over the past 6 years has been that certain Federal agencies have been more inclined to develop new programs for funding United States-Mexico cooperation, rather than utilizing this existing foundation. I would attribute these tendencies, I hope not unjustly, to typical bureaucratic self-protection.

Is it the chairman's intention to encourage these agencies to provide financial support to the foundation and to take advantage of the foundation's proven track record for developing and supporting joint research agendas between the United States and Mexico?

Mr. LEWIS of California. If the gentleman will continue to yield, Mr. Chairman, I appreciate my colleague having this colloquy regarding the United States-Mexico Foundation and our attempt to provide some funding flows for its work.

Mr. Chairman, $1 million is provided in the bill from each of the areas of the bill's responsibility that the gentleman has mentioned: EPA, NASA, and NSF. It is absolutely my intention to see that these funds flow to the foundation in order to coordinate these efforts.

The gentleman from California [Mr. BROWN] has been most effective in encouraging this kind of work, helping us better to deal with problems that we have along the United States-Mexican border. There is no question that this sort of prioritization is long past due. It it is my intention to work closely with the gentleman to make sure these agencies work in a cooperative manner.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman very much for his clarification and continued support. I hope the message will penetrate down to the lowest levels of the bureaucracy.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows.

Upon the determination by the Administrator that such action is necesssary, the Administrator may, with the approval of the Office of Management and Budget, transfer not to exceed $150,000,000 of funds made available in this Act to the National Aeronautics and Space Administration for ''Science, aeronautics and technology'' and ''Mission support'' to ''Human space flight'' for the International Space Station program, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred: *Provided*, That such authority may not be used unless for higher priority items than those for which originally appropriated: *Provided further*, That the Administrator shall notify the Congress promptly of all transfers made pursuant to this authority.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1998, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795), shall not exceed $600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year 1998 shall not exceed $203,000.

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; $2,537,700,000, of which not to exceed $228,530,000 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, 1999: *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.

AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of California:

On page 65, line 18, after ''$2,537,700,000'' insert ''(reduced by $174,000)''.

□ 1245

Mr. LEWIS of California. Mr. Chairman, I believe my colleagues on both sides of the aisle know that there are few Members who have more support and admiration for the work of the National Science Foundation. It is reflected not only in our work on the floor but in the work of our subcommittee as well.

But from time to time even the best of our agencies find themselves going astray. And it was not very long ago that just such a misstep or misdirection took place at NSF in the application process for grants that are part of their responsibility.

It was my colleague the gentleman from Missouri [Mr. CLAY] from the other side of the aisle who brought this matter to our attention. And indeed this is not a partisan consideration but a concern by a number of Members on both sides of the aisle.

The purpose of this amendment is to address a problem that developed when a grant, as it went forward, caused a cross-section of academics to address themselves to some 200 districts across the country, essentially going into communities asking community leaders why they had not considered running against the person who was in office, regardless of party affiliation—Democrat or Republican—extending probes that, to say the least, have

caused a great deal of consternation in districts around the Nation.

It is my view that use of dollars in this form, that cross lines, that appear to be essentially almost anti-incumbent, are more than disconcerting to the body. This amendment is designed to send a message rather than anything else. It is my intention to discuss this matter further as we go forward from here.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, let me say to the gentleman that this matter which he has raised here has been brought to my attention very forcibly by a number of my friends and colleagues across party lines here in the House. I have been torn by the need to make a decision as to what is happening here.

Let me explain why. Generally speaking, I support good peer reviewed social science research by the National Science Foundation.

Mr. LEWIS of California. Mr. Chairman, I know the gentleman does.

Mr. BROWN of California. In this particular case, Mr. Chairman, I think there was the most inept foresight with regard to the impact of a research grant that I have ever seen. I think that we do need to send a message to the National Science Foundation that on issues of great delicacy, which they should have perceived this would be, there needs to be some action to prepare the proper attitude within the Members of Congress for this sort of thing. That was not done in this particular case.

I hope that the action that the gentleman contemplates will convey the message to the National Science Foundation that while we support good research, including good social science research, we think there should be some good judgment displayed over there in setting the groundwork for such items that may turn out to be controversial with the Members of Congress.

Mr. LEWIS of California. I believe the gentleman has capsulized my intent. A message is really my intent.

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

Mr. LEWIS of California. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, I rise in support of the gentleman's amendment. I want to make it clear from the beginning that I have been very supportive down through the years of the National Science Foundation. But this particular kind of incident has caused me to have some second thoughts about the wisdom of all of the grants that they have been permitting.

If there is one thing we do not need in this country, that is more Members, more people to run for Congress than presently run for Congress. I think that if people wanted to determine whether or not a person ought to run for Congress, then that is fine, but do not use the taxpayers' money for it. These universities that these two individuals work for certainly ought to sponsor a project such as this, if it is so great and so needed in terms of research and study.

I will support the gentleman's amendment and encourage others to do the same because to me it makes no sense to spend this kind of taxpayer money when we are cutting budgets, when we are cutting out Pell grants for worthy people who ought to be going to college, when we are cutting food stamps, when we are cutting all other kinds of worthy programs. I just think we are wasting the taxpayers' money in this instance, and I thank the gentleman for yielding to me.

Mr. LEWIS of California. Mr. Chairman, I intend to not debate this any further except to say that I hope that the Members would support the amendment by way of a voice vote. It is our intention to send a message here and hope that we can be effective in doing that.

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

Mr. Chairman, I apologize for being late to address the Sensenbrenner amendment. I would like to speak for a few minutes on the Sensenbrenner amendment. I think it is an extremely important amendment for the body to be informed of and to make a very, very calculated and careful decision.

PARLIAMENTARY INQUIRY

Mr. ROEMER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROEMER. The parliamentary inquiry is, Is this the foreign aid bill that we are currently debating?

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry.

Mr. ROEMER. Mr. Chairman, the reason I ask that is, I think we are going to get to that bill in a few minutes. The reason I ask that is, in reading through the report language on the VA–HUD bill, on page 88 we have references to the Russian program assurance. We have had a Russian contingency fund. We have had a Russian program assurance fund. Here we are talking about $200 million because the Russians are delayed and behind schedule.

It is completely opposite of the stellar success that we have had on Mars Pathfinder. I met with the director of the Jet Propulsion Laboratory this morning here in Washington and we discussed the wonderful success of NASA in putting the Rover on Mars. They stayed within a $267 million budget and they did phenomenal things for the country and for science and technology. But with this bill, this Russian assurance program, we are turning this bill more and more into a foreign aid, a back door foreign aid program for Russia.

I do not mind helping out Russia. I do not mind making sure, Mr. Chairman, that we keep Russian scientists from helping rogue countries develop nuclear weapons. But let us deal with that in the foreign relations and foreign affairs legislation that comes before this body. Let us not continue to send $1 billion, now, between Mir, rents for Mir, which is not working very well, between the Russian contingency funds, the Russian assurance fund and to reward the Russians for further delays that cost our taxpayers more and more money to put up the space station.

I am very, very concerned that we continue to, one, go above the $2.1 billion cap on the space station that we have had bipartisan support for; second, that we create more and more foreign aid in this particular budget for the Russians for delaying their program and not doing a good job in completing the space station on time and their components of the space station.

And third, Mr. Chairman, I think that we continue to find ways in the budget process to get around the authorizers; that the appropriators sit down and they say, well, I know Congress has agreed to a $2.1 billion cap but we are going to create these new funds that somehow finagle around that agreed-to, bipartisan, watchdog jurisdictional cap that we put on before. I think that that really flies in the face of what the authorizers are here to do and what Congress has been able to achieve by putting a cap on the space station in terms of expenditures.

I would encourage my colleagues to vote for the Sensenbrenner amendment to make sure that this $100 million does not get transferred overseas, does not reward the Russians for bad, poor performance in completing their segments of the international space station.

It is almost as if we have gone full cycle from the 1950's. In the 1950's, the United States and the Russians competed due to Sputnik. We both had horse races to see who could put a man on the Moon first. We have gone full cycle now to the United States taxpayers subsidizing the Russian program, not based upon performance, not based upon trying to keep the Russian scientists out of trouble but based upon poor performance, based upon delays and with the intent to get around the congressionally bipartisan, agreed-to $2.1 billion cap on the space station.

My parliamentary inquiry, Mr. Chairman, was, I think, an appropriate though facetious one. We cannot continue to turn NASA into a back door foreign aid program. They are doing too many good things with Mars Pathfinder, with Galileo, with the repairs on the Hubbell, with the demands that we must have on NASA to find ways to resurrect our manned space program because men and women in space are important. I would encourage my colleagues to voted for the Sensenbrenner amendment.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would remind Members that there is a pending

amendment before the Committee of the gentleman from California, and would suggest to Members that that amendment be dealt with prior to other discussions.

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

Mr. Chairman, I do want to address this amendment and I want to oppose it. A lot of my good friends are involved. I must say, I think the heat may be penetrating this building. Maybe we ought to check the air-conditioning.

Last night by a very large majority we involved ourselves in whether or not there should be a nude beach at a particular location. Prior to that I had always thought the expression a Member ''voting to cover his rear'' was metaphoric. Last night we apparently decided to make that literal.

We also passed an amendment yesterday in which I think we voted that the Earth was flat. We told the United Nations to get out of here with this biosphere stuff, and the black helicopter members scored a victory. Today it seems to me we will err again.

The proponents have said we should send a message. The message we are sending is that we have run out of things to legislate on that are of serious waste, or that we cannot decide tough issues and we are going to go off into a series of, I think, kind of silly byways.

Let me say first with regard to this National Science Foundation amendment, obviously this is involved with a particular project, one where someone presumed to study congressional elections. I must confess that I know one of the authors and think highly of him, and he reminded me that I taught him political science, so perhaps I have a real conflict of interest here. But it was a very long time ago.

I say that because, having read the proposal, I think it is a perfectly reasonable one. But that is not the point I want to make. The point I want to make is that judging whether or not particular academic research projects are good or bad is really not one of the things we are best at. The notion that this body should set itself up as a kind of appellate research council is, I think, one of the worst I have heard in a long time.

We do some things very well. I think this body serves democracy in a very, very impressive way. I think we meet a pretty strong standard as we deal with the value questions, as we deal with resource allocations. But I do not think that we make a very good set of academic censors.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to compliment the gentleman for his statement. I tried to be somewhat statesmanlike in addressing the problem, but I conceded that maybe a message needed to be sent merely because so many Members have become upset. I have been through this process many times in the past where Members would get upset with a research study involving the sex habits of Eskimos or the sex life of the screw worm or something like that, or just the title.

Mr. FRANK of Massachusetts. Has the subject of nude beaches for Eskimos ever come before the body?

Mr. BROWN of California. Mr. Chairman, I do not recall that it has. But this body can get very excited about something and when they do, using their awesome powers, they frequently make some major mistakes. That may be the case in this situation. But all we can do is try to help to educate the Members of the body that there may have been some validity in this research and hope that in the future they will scrutinize these more carefully.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman.

The point I want to make is that this is just not something we are good at or should try to do. Even if Members think that in a particular research project they made a mistake, we all understand that we are legitimately motivated by politics and electoral considerations. If we were not, we would not be serving democracy well. That is not a criterion that has any place in the selection of research subjects.

I would hope we could maintain a distinction that we would get the best people we can, give them their resources. I can understand an argument that says political science, although it once nurtured me, is not really a suitable subject for the National Science Foundation at all. But once we have put them in that business, for us to say we will pick and choose and if we are offended by a particular subject, even if Members may think it was a poor choice of subjects, I think it is an unwise power for us to get into exercising.

We then invite people who disagree with any choice of subject to come to us and set us up, as I said, as a kind of ultimate academic appeal council. I would hope that we would stop telling people what they have to wear when they swim and we would not try to repudiate the roundness of the Earth and that we would also refrain from intervening in the selection of individual research projects.

□ 1300

I do believe that on the whole the country will be worse off rather than better if we become the ultimate academic council.

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

Mr. Chairman, I rise in support of the Lewis amendment. I want to start by commending the gentleman from Missouri [Mr. CLAY] for having brought this matter to the attention of Members of the House. I also want to commend those members of the White House who have joined with him in the number of letters that have come to both the gentleman from California [Mr. LEWIS] and myself relative to this particular issue.

I do not think that anyone in the House has given greater support to the National Science Foundation than I have as the ranking member on this subcommittee. Over a number of years I have had the pleasure and privilege of giving strong support to the National Science Foundation. I think they do an outstanding job. I think that those programs are necessary programs. But I think in this case they overstep their bounds.

They overreached and they funded something that would have been better funded by private sources. I think they could have gone to the Democratic Party and the Republican Party and asked for funding for this project. It is also strange to me that, if the science that is being promoted by these two professors is so good, why neither one of their universities wanted to fund it.

It does not seem to me that this ought to fall within the category of taxpayer funded research, and for that reason I think the gentleman has a good amendment, I support the amendment, and ask Members to pass the amendment.

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

Mr. Chairman, the argument just advanced, that this may not be a proper subject matter for us to make inquiry, to me just is not logical. Not only is it a poor choice of subject that has been decided on by the National Science Foundation in awarding this grant for almost $200,000, it is an affront to every Member of this Congress.

Because these two professors start with the premise that we are not getting the best qualified people to serve in Congress, and that is what this study is about. They are saying they are going to take $200,000 of taxpayers' money, go out and find the best qualified people to run for Congress and then encourage them to do just that. They even talk about going back after they select who these individuals should be, going back into the districts and taking them to lunch or to dinner to ask them why they are not running for Congress.

So I think we have a legitimate and a perfect right to question whether or not the taxpayers' money is being spent in this kind of an abuse.

If I might, I will engage the chairman of the committee and the ranking member of the committee in a brief colloquy.

In support of the gentleman's amendment from California, I would like to inquire, would it be correct to say that in the context of the balanced budget agreement that it has been more difficult to find funding for many worthwhile projects, agencies and programs, including the National Science Foundation?

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

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

Mr. LEWIS of California. Mr. Chairman, I believe my ranking member and I both would very much agree with that.

Mr. CLAY. Mr. Chairman, reclaiming my time, would it also be accurate to say that the National Science Foundation, which has been very instrumental in advancing the frontiers of scientific knowledge that has enabled the United States to maintain its role as a preeminent world leader in scientific knowledge and knowhow has, over the years, received broad-based support from many Members of this body, including myself?

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

Mr. CLAY. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, we both know, that is the gentleman from California and I, that the record will show that the gentleman from Missouri has indeed been a strong advocate on behalf of scientific research and the National Science Foundation.

Mr. CLAY. Mr. Chairman, again reclaiming my time, would the gentlemen concur that as funding for programs becomes even more difficult, that it is important that agencies be more sensitive to that reality and that they exercise greater care in the types of activities they become involved in and the kinds of projects they support, even though those projects may technically be within their charters?

Mr. LEWIS of California. Mr. Chairman, if the gentleman will continue to yield, I know the gentlemen from Missouri and the gentleman from Ohio are the best of friends, but separate from that, I am sure my ranking member and I absolutely agree with the gentleman's position.

Mr. CLAY. Mr. Chairman, continuing with this dialog, are the gentlemen aware of a project funded by the National Science Foundation called the Candidate Emergence Study?

Mr. STOKES. Yes, that study has been brought to the attention of both the gentleman from California and myself.

Mr. CLAY. Do the gentlemen join with me in questioning the wisdom of the Federal Government spending money to determine why people do not run for Congress, at the same time we are being forced to make painful choices, such as reducing support for school lunches for hungry children and reducing the amount of money available to provide shelter for homeless people throughout this country?

Mr. STOKES. Yes, both the gentleman from California and I would concur in the gentleman's judgment that such a study does not reflect the critical needs and priorities currently confronting us. And even though the amount of money used to fund the Candidate Emergence Study may be relatively small, that $194,000 could have helped to address more significant needs.

Mr. LEWIS of California. If the gentleman will yield further, I would follow up on the gentleman from Ohio's comments by saying that I have had discussions with absolutely the highest level within the National Science Foundation, and there is no question that there is embarrassment at the highest level relative to the way this pattern developed. And, indeed, not just the results but the format of the study that came from this grant is considerably different than some thought it would be.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words and I rise in support of this amendment.

Mr. Chairman, I am disappointed that the National Science Foundation has not been more careful with regard to its grant process and the sensitivity and impact which a candidate recruitment topic would have in this House. I must say, generally I think it is a good agency in our Government supporting important programs.

Mr. Chairman, I wanted to point out specifically, in taking a few minutes here, I know that we are very concerned about moving forward with the bill, and I thought we had had good cooperation, but I am deeply disappointed that the previous request that I made for consideration, even though we are in the same title, that title III was not granted and that we had moved so quickly on the bill ahead that I did not have a chance to talk about the program, the manned space program, which is $100 million over the amount requested by the administration, and an opportunity to transfer some of the money to the emergency food and shelter program that FEMA operates.

Mr. Chairman, this is the 10th anniversary of the McKinney Homeless Program, the emergency food and shelter program, since it was first incorporated into a 1987 law. Actually, our former colleague, Congressman Ed Boland, was the one that initiated the program in the early 1980's and I worked to authorize a similar initiative at that time.

Frankly, we should be celebrating the success of that program today and providing some additional dollars to at least bring it back to the 1995 level. But we are not going to be able to even have a vote or a debate, quite frankly, on that subject, other than the context in which I am speaking at this point, because of the lack of consideration for offering such amendment in the title.

It is a program, I think, that most of us recognize that has had good success. Often I think there is a discussion about whether there is compassion fatigue with regard to programs like the homeless. But I would hasten to point out to my colleagues that this program is really very successful in the sense that it has dealt with tens of thousands of Americans that have found themselves economic and social casualties in our society and, in fact, has brought them back into the mainstream and given them the wherewithal to not fall between the cracks and fail in our communities.

Furthermore, it is based on the private nonprofit efforts, which are operating on overload these days, if we have paid attention, in our cities and our rural byways, trying to respond to the desperate needs of people that are without shelter and sometimes without a meal. This program has been so effective, Mr. Chairman, in leveraging those dollars, in not taking on the program as a Federal program, as so often happens when the Federal Government gets involved, but in fact building upon a solid framework of these private groups.

And who are these groups in terms of the charitable council that manages these dollars? It is Catholic Charities, the Council of Jewish Federations the Salvation Army, and the Church of Christ in the U.S.A. These are the groups that are managing and using these dollars through the charitable council. And it has been remarkably successful with a very low administrative cost and bringing people along out of homelessness and into self sufficiency.

Now, surely we have not solved the problems of homelessness, but we have prevented and helped a lot of people move from beyond that particular circumstance in our society.

Unhappily, because of the technical procedures on the floor today, because I could not anticipate that we would not be considering the other amendments, I have been refused the opportunity, the consideration I think that is very reasonable, that I requested in the same title to offer this particular amendment. So we are really denying the opportunity to debate this, to consider the homeless out of order.

We have actually cut back these funds from 1995. The problems have not gone away. Ironically, in a good economy, very often we find with housing shortages that rents go up, so those that have these problems have more severe problems; and those that have disabilities. And as good as the programs work in terms of integrating people into our communities, in terms of mainstreaming them, we find that people sometimes make mistakes, sometimes oversights, and these programs are really the safety net that undergirds our opportunity to treat people in a responsible manner in terms of meeting their dignity food shelter or health care needs.

These are remarkably successful programs. I think they reflect the best of what we are about in terms of building on private sector, nonprofit, religious organizations that have dealt with this problem throughout its history. And it is too bad this House has not got the time today to debate amendments of this nature which are so fundamental.

We can authorize and make promises. These are promises that have been kept, I might say, with FEMA and the emergency food and shelter program. They were there when we needed them in floods or catastrophies, and they have been there for many, many other reasons but we need them for human catastrophies too. But it is too bad we cannot take the time today to debate, that I have to do it under these circumstances try under a different amendment. But I did not think that this bill should go by without at least my comments with regard to the homeless across this Nation. They need are help not a technical ruling that doesn't permit their consideration.

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

Mr. Chairman, I would like to engage the chairman in a colloquy for a few moments.

As the chairman may know, as part of H.R. 1275, the Civilian Space Authorization Act, which the House passed by voice vote, there was a provision which authorized appropriations of $8 million for the continued operation of the midcourse space experiment satellite within the Mission to Planet Earth at National Aeronautics and Space Administration.

MSX was constructed for the Ballistic Missile Defense Organization with a cryogenically cooled infrared sensor. As expected, the cryogen expired in February of this year, thereby rendering that part of the satellite inoperative. With the loss of the infrared sensor, BMDO's use of MSX is now limited. However, there is the availability of a lot of other sensor capability on the satellite, including the hyperspectral imaging system, which shows great promise as part of the Mission to Planet Earth.

While MSX would not replace any specific portion of the MTPE constellation, it would give NASA the opportunity to utilize MSX's unique hyperspectral imaging system at a relatively low cost. This system is fully functional and could help address numerous scientific and operational concerns NASA will have to resolve.

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

Mr. BARTLETT of Maryland. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman has discussed this matter with me personally, and there is little question that MSX represents an opportunity for NASA to incorporate an already constructed spacecraft into the Mission to Planet Earth. I believe NASA should pursue every opportunity available for cost savings in an area of great budget difficulty, and MSX represents just that type of opportunity.

Mr. BARTLETT of Maryland. Mr. Chairman, reclaiming my time, I thank the gentleman from California for his support.

Since the cryogenically cooled infrared sensor was operating until February of this year and BMDO was utilizing the satellite, there was not an opportunity for NASA to use this spacecraft. Given that NASA and BMDO have already signed a memorandum of agreement for the cooperative exploitation of environmental data from MSX, and that BMDO has identified that there will be over 50 percent availability of MSX for other users, the timing seems perfect for the utilization of MSX by NASA.

□ 1315

Mr. LEWIS of California. If the gentleman will yield further, it is clear that NASA needs to seize upon this opportunity to utilize this important spacecraft. I will work this conference to include language instructing NASA to incorporate the midcourse space experiment into the Mission Planet Earth Program.

I must say further to the gentleman that I do not pretend to have the expertise that the gentleman from Maryland [Mr. BARTLETT] has, let alone NASA has, in this subject area. But, indeed, the gentleman has piqued my attention, as well as my interest, and I look forward to working with the gentleman.

Mr. BARTLETT of Maryland. I thank the gentleman from California [Mr. LEWIS] very much.

Mr. BARR of Georgia. Mr. Chairman, I move to strike the requisite number of words to engage the gentleman from California [Mr. LEWIS] in a colloquy.

Mr. Chairman, I rise to seek a clarification on the appropriations for the EPA Clean Lakes Program which is made available under the State and Tribal Assistance Grants. It is my understanding that moneys made available under the Clean Lakes Program can be allocated to section 314 programs. Is that correct?

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

Mr. BARR of Georgia. I yield to the gentleman from California.

Mr. LEWIS of California. That is correct, that moneys under the Clean Lakes Program can be allocated to section 314 programs.

Mr. BARR of Georgia. Reclaiming my time, it is my further understanding that it may be the case that certain EPA regions are not using the aforementioned moneys for section 314 programs. This raises very serious concerns as to why the EPA in certain regions of the country would refuse to fund 314 projects.

I would ask the gentleman, as chairman of the VA/HUD Subcommittee on Appropriations, to request of EPA a report on what, if any, 314 programs have been funded in the past year. Further, I would ask that the report be compiled by region. In other words, I would, with the assistance of the chairman, request EPA to compile a report which states region by region what section 314 projects have been funded since June 1996. This report should be delivered to the Congress by August 31, 1997.

Would the chairman lend his active support to our effort in this regard?

Mr. LEWIS of California. If the gentleman would continue to yield, first let my say that I appreciate the gentleman bringing this matter to my attention. I have a special appreciation for his concern about a report that involves each region. Indeed, I appreciate his bringing it to my attention, And I look forward to working with the gentleman.

Mr. BARR of Georgia. Reclaiming my time, I would further request that if it is found that there are certain regions not performing section 314 projects, that the chairman would work with me in conference to author report language which would specify a specific dollar amount for section 314 projects.

Would the chairman assist in this regard, as well?

Mr. LEWIS of California. If the gentleman would continue to yield, I look forward to working with the gentleman further. And the answer is, yes.

Mr. BARR of Georgia. I thank the gentleman. I appreciate the chairman's assistance, and I yield back the balance my time.

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

I thank the chairman very much, and I want to particularly thank the gentleman from California [Mr. LEWIS] and certainly the gentleman from Ohio [Mr. STOKES], the ranking member, for what proves to be a very unique set of appropriations and with special challenges.

Mr. Chairman, this is addressed to the gentleman from California [Mr. LEWIS], and I would certainly appreciate having an opportunity to enter into a colloquy with him. But let me just say that issues dealing with housing are very important, and there are many of us who have a great deal of concern because in our districts we are shortchanged on public housing, whether it is section 8 vouchers or public housing itself.

I appreciate the good work of this Committee on Appropriations, and particularly appreciate the work of the Committee on Housing and Urban Development, with the leadership of the gentleman from Massachusetts [Mr. KENNEDY] and the good work that he has done, disappointed that he is not able, as I was not able, to offer an amendment, and I hope that this will be cured.

But I wanted to offer an amendment dealing with increasing, in a compromised fashion, HUD section 8 rental assistance, recognizing the hard work of this committee to fund this for 19,580 new incremental section 8 vouchers for low-income families at a funding level of $119.5 million.

This amendment would offset this increase only by cutting funds from FEMA, Federal Emergency Management Agency, programs which would simply remove this account to the levels requested by the President. As I said, this is an effort to be fair.

These additional units, however, Mr. Chairman, will be made available for a highly targeted demonstration of using housing assistance to support State welfare-to-work activities. This has been part of the Republican agenda for welfare-to-work activities. This is a bipartisan compromise that every Member of this House could have supported if we had been allowed to bring this amendment forward.

The tenant-based housing assistance would support families in large cities who are either already working or making substantial progress in the transition from welfare to work. As I said, I applaud the work of the gentleman from Massachusetts [Mr. KENNEDY] and join him in the need for this type of housing.

In Houston, for example, Harris County, there are approximately 15,000 families on the waiting list for section 8 assistance. Also, the HUD housing office cites that there are 27,000 individuals on the waiting list for privately owned assisted housing.

If I could engage the gentleman from California [Mr. LEWIS] in a colloquy, because we work together on these issues. In fact, 2 years ago, I guess, I came to him on the placement question when I told him that in Houston, even though I know HUD has looked at one-for-one replacement, and I move from section 8 into that because it is important, in cities that are rural or southern we find that we have very low numbers of public housing from the beginning. Therefore, when we demolish or we take away from section 8 housing and we do not get one-for-one replacement, we are in trouble.

Might I inquire, first, the problem with us having the ability to come back with this amendment, but I know I will get a certain answer, but may I also inquire as to the gentleman continuing to work with me? We got sort of stalled the last time because a lot of people did not understand why does someone in Houston want to go back to one-for-one, which seems outdated and old. I have my facts.

Can I engage the gentleman's assistance? And the gentleman from Ohio [Mr. STOKES] has been so very gracious, because I appreciate his position, and I would like to engage him as well on helping with the one-for-one synopsis, it may not be called that, but getting more housing in areas where the housing stock is low, like public housing under 4,500 units for a city that has a million citizens.

Mr. Chairman, my amendment seeks to increase the bill's funding for HUD section 8 rental assistance—with this increase to be used to fund 19,580 new incremental section 8 vouchers for low-income families at a funding level of $119.5 million. This amendment will offset this increase only by cutting funding from FEMA's—the Federal Emergency Management Agency—programs which will simply remove this account to the levels requested by the President. I applaud Mr. KENNEDY for his longstanding commitment for being an advocate for the poor and low-income families not only in his district of Massachussets, but for the Nation.

Unfortunately, I am unable to support Mr. KENNEDY's amendment which attempts to fund the new incremental section 8 vouchers for low-income families, but he seeks to underfund the NASA space program. I do not believe that it is appropriate to cut the funding of NASA. It is true that the members of the Appropriations Committee saw the need to include additional funding for NASA's human space flight—$100 million—and Science, aeronautics, and technology—$48 million—programs. We must keep in mind that even though this may seem to be a significant addition, the budget of NASA over the last few years has been systematically cut.

Human space flight is critical to performing necessary and beneficial research experiments in space should be increasingly funded. When the Space Shuttle *Columbia* lands successfully tomorrow, the crew will have completed valuable scientific experiments and research that benefits everyone. Let's not take money away from NASA.

Mr. Chairman, these additional units of incremental section 8 assistance will be made available for a highly targeted demonstration of using housing assistance to support State welfare-to-work activities. This has been a part of the Republican agenda. Welfare-to-work activities. The tenant-based housing assistance would support families in large cities who are either already working or are making substantial progress in the transition from welfare to work. In Texas, this will allow for 1,200 additional section 8 vouchers for low-income families. This assistance will offer security to families making this difficult transition, and will allow them to choose housing in locations that offer access to jobs, education, training, and other services important to achieving long-term self-sufficiency. In the city of Houston/Harris County, there are approximately 15,000 families on the waiting list for section 8 assistance. Mr. Chairman, I revisit this issue because this bill has not earmarked any funds for one-for-one housing. This is the policy that establishes requirements that housing authorities replace, on a one-for-one basis, every unit of public housing the housing authority disposes of or demolishes. The public housing authorizing bill H.R. 2 eliminated one-for-one housing. This will thrust millions of American families into homelessness. The housing demand and the problem of homelessness is so great that we must provide as many options for affordable housing as possible. The Houston HUD office cites that there are 27,170 individuals on the waiting list for privately owned assisted housing.

Between 1978 and 1993, the number of families with worst-case needs grew by 1.5 to 5.3 million families with incomes below 50 percent of median who pay more than half of their incomes for rent and utilities or live in severely substandard housing.

Between 1985 and 1993, the supply of rental housing affordable to very low-low income families decreased. In 1993 there were only 6.9 million units affordable for the 8.6 million extremely low-income renter families. More than half of these units were occupied by families with higher incomes, thus making even fewer affordable units available for extremely low-income families.

Among working poor families with children—those with incomes below 30 percent of median, which is roughly the equivalent of the poverty level—67 percent of those not receiving housing assistance—675,000 households—have worst-case housing needs. Usually this means they are paying over half their income for rent; sometimes they are also living in severely substandard housing.

Families with this type of financial stress are in constant danger of falling behind in the rent and either moving to avoid eviction or actually being evicted. Tenant-based assistance can support welfare-to-work efforts by providing families with a stable and secure place to live while they get the training they need, seek employment, and make the transition to self-sufficiency. With a housing certificate, a family can either stay in a neighborhood where there are community supports and the mother has access to a job, or move when that move is in the family's interest and the family has been counseled about opportunities linked to housing locations that offer better access to jobs, schools, training, and other opportunities. This amendment is a bipartisan compromise that every Member of this House should support. I urge the adoption of this amendment to increase self-sufficiency of low-income families by providing them with affordable housing.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I am happy it enter into this colloquy with the gentlewoman from Texas [Ms. JACKSON-LEE] regarding a very important matter.

Her discussion and concern goes to the heart of how we got to one-for-one replacement in the first place, because there was a time in the country where we absolutely needed, to make certain when any public housing unit was taken out of the marketplace that it was replaced. A combination of things have occurred over time involving the fact that in some cases there was a shortage of capital, in other cases just plain bureaucratic problems. We found ourselves not tearing down old and dilapidated facilities and instead boarding up windows.

In the instance of my colleague, she has a special circumstance that reflects that original difficulty. I very much appreciate her concern, and indeed I am committed to trying to help her respond to the needs of her community. So I appreciate the point very much, and I look forward to working with my colleague.

Ms. JACKSON-LEE of Texas. Reclaiming my time, I appreciate the gentleman from Ohio [Mr. STOKES]. Let me thank him for always having a sensitive ear.

The CHAIRMAN. The time of the gentlewoman from Texas [Ms. JACKSON-LEE] has expired.

(By unanimous consent, Ms. JACKSON-LEE of Texas was allowed to proceed for 2 additional minutes.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate the gentleman listening to me on this. And I wanted to bring to the attention of this body again the great need for housing in the Houston area, but particularly rural

and southern areas, where we have not had this large housing stock and where we have an enormous waiting list, both homeless and section 8.

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

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. STOKES. I just wanted to join with the gentleman from California [Mr. LEWIS] in expressing to the gentlewoman that we appreciate the fact that she has brought this matter to our attention both in last year's bill and this year. And of course, we have stated to her, as we state again, that we are certainly going to continue working with her relative to the unique situation that she has in her city.

In my own case, representing a large urban center, I can understand exactly the type of problem that she is encountering, and we are going to try in every way to give her the kind of relief that she needs.

Ms. JACKSON-LEE of Texas. Reclaiming my time, I thank both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] for their kindness. I emphasize that we are in the midst now of rebuilding Allen Parkway Villa. I know that would be refreshing news to those of us, my colleagues, who are tenured in this Congress.

We still have the problem of having numbers under 4,000 and needing to replace some of those that have been torn down. I welcome the input and the creativity of my colleagues. Maybe this year, this session, I can bring this to rest and have a solution for those needing housing in the Houston area, but also impacting other southern and rural areas that have the same problem.

The gentleman from California [Mr. LEWIS] did tell me that, even though I fought hard to get this amendment on the floor, that we will not be handling the amendment at this time, but we will be working on solving the problem.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. The Members will be having a voice vote later on the amendment that the gentleman from Ohio [Mr. STOKES] and I support.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would once again remind Members that the pending business before the Committee is the Lewis amendment.

If there is no further debate on the Lewis amendment, the question is on the amendment offered by the gentleman from California [Mr. LEWIS].

The amendment was agreed to.

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

Mr. Chairman, I had contemplated, among others, in a bipartisan fashion offering an amendment to this title of this bill, and have decided not to do so but wanted to take this time to talk about the recently issued regulations by EPA on clean air and particulate matter in particular.

Having been involved with this since the first proposed standards were issued, I have made it my concentrated goal to know everything I could know and to read the scientific studies that have been put forth in regard to these regulations.

The claim is that these regulations are put forward on the basis that is the charge for the EPA to use the best available science. Well, in fact, that is not the case. The EPA has done what I think is an unconscionable wrong to this country. And what has exactly happened, Mr. Chairman, is we have taken a planned change in the air regulations and have gone to try and find science to support it.

The EPA claims that there are 67 studies that support their new regulations, and that claim is absolutely false. There are five studies, and it is generous to say that these are studies, but there are five different collections of data that monitor fine particulate matter. Only two of those actually measure 2.5 micron size particles. The rest are extrapolated data.

It is like a physician telling a woman she is going to have a boy child, a male child, because she has had three children before, all of which were females. The fact is that one does not connect with the other. The odds are still 50–50. In fact, the odds for having a healthy baby are much greater than the odds for this, the data put forth by EPA, to be inaccurate.

I want to discuss for a moment the studies because I think it is very important that the American public know what went on with these studies. The first is a Harvard six-city study that the data is not available to the rest of the scientific community to look at and say yes, their conclusions from this data are accurate.

As a matter of fact, the study that was correlated along with that, that used humidity in consideration for lung disease and lung problems, actually showed that the data put forth in the Harvard study was not right when in fact the confounding variables were considered. The risk of cigarette smoking was not considered in any of these studies. The risk of preexisting lung disease was not considered.

Mr. Chairman, it concerns me greatly that the Government of the United States has issued regulations that are going to cost the American public, the taxpayers of this country, $60 to $80 billion dollars a year under the claim that it is going to improve the quality of life.

If that is the case and the science can be shown to show that, then I will happily support it. But the truth is that there is not any science to support what the EPA is doing at this time. The EPA admits that. By the way, they have asked for additional money to study 2.5 micron particulate matter.

So what concerns me is that we as a Government are moving toward new regulations that are going to cost thousands of jobs, that are going to eliminate new opportunities for advancement for individuals in their employment opportunities in over 400 counties in the United States, because we think we might be able to improve some health, when the science will not show that we can.

Is it not a fact that we should know what we are doing? The greatest example is asbestos. The medical community now agrees we should have left asbestos where it was. We actually harmed more people, we actually spent and wasted a ton of money because we did not have the science before we acted.

Let not make that mistake again. Let us ask the EPA, let us ask the President, not to do this until they know what they are doing and they have the science that backs it up.

Mr. Chairman, I appreciate the opportunity to bring forth this area of interest. I am sorry that I did not have an opportunity to offer an amendment. I yield back the balance of my time.

□ 1330

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

Along with the gentleman from Oklahoma [Mr. COBURN], I had intended on offering an amendment to this bill which would have provided EPA with the necessary direction in pursuing a clean air strategy. Out of respect for the appropriations process and the need to move this bill forward without legislative provisions, we have decided not to offer this amendment today. Instead, we will work through the authorizing committees to ensure that we have a focused and rational clean air policy. Nevertheless, I feel compelled to take this opportunity to point out some of the flaws in EPA's approach to the decision to pursue the new national ambient air quality standards. Although an examination of the science behind the standards requires a great attention to detail, it is well worth the Members' time to do so. It may be easy to embrace a press release saying that we are protecting people but the facts do not show that this is necessarily going to be the result of these standards.

The Committee on Science held three hearings on the standards and has issued a bipartisan report of its findings and recommendations. The report is available on line at the committee's home page and I encourage anyone who is interested in this issue to read that report.

Among the most telling of the findings is EPA's inconsistency of the epidemiological studies, as it appears that EPA has placed greater emphasis on studies that support their conclusion while ignoring others that did not conform to their view of science. EPA has claimed that particulate matter studies have shown a wavering picture of adverse health effects. In testimony before the Subcommittee on Energy and

Environment, members of EPA's own clean air scientific advisory committee have stated just the opposite.

In responses to follow-up questions submitted by the subcommittee, Dr. George Wolff, the former head of the CASAC and Dr. Joseph Mauderly, the current head of the CASAC asserted that EPA did not give the same weight to the studies that were inconsistent with the conclusion drawn by the agency.

Dr. Wolff's response stated, ''There are many examples where EPA gives more weight to the studies that support their agenda, and they are very skillful, but not always convincing, in providing reasons to dismiss those studies that provide alternative explanations.''

Dr. Mauderly pointed out that EPA used a weight of evidence approach in assessing PM epidemiological study but went on to say that ''while this is not an inappropriate approach, it is true that EPA, and other investigators, have not expended an equivalent amount of energy on studies or data sets which show no relationship between PM and health.''

This irresponsible approach to assessing the public good cannot be condoned. How we go about maintaining air quality is too important an issue to rely on findings reached only by looking at data that supports a predetermined conclusion.

In the Committee on Science and in hearings before other committees, we have heard that these standards are being moved in order to ensure that monitoring data is collected and that needed research is conducted. We endorse that goal but we cannot endorse EPA's method of making it a reality.

Plain and simple, new standards are not needed to see that monitoring and research are funded. Our amendment would have funded those activities without the need of a presumptive standard.

Although we are not offering our amendment today due to the need to move forward with the appropriations process, we will pursue this approach through the authorizing committees. Specifically, it is our intention to move H.R. 1984, bipartisan legislation introduced by the gentleman from Pennsylvania [Mr. KLINK] which would make sure that we have adequate information about health effects of various pollutants before we pursue a regulatory solution.

Mr. Chairman, the President and Administrator Browner have said that they want to work with us on implementing the new standards so as to minimize their economic impact. What they fail to recognize is that even though these regulations will not come into force for many years, these standards will influence the decisionmaking of businesses today.

Anyone in the private sector who is doing long-term planning will have nothing to gain by doing business in areas that EPA says will not be in attainment. We are already seeing this in western Pennsylvania and are sure to see it throughout the country as more and more people recognize the significance of the new standards.

Mr. Chairman, I am for clean air. I have four children of my own. If I thought for 1 minute that delaying these standards would jeopardize their health, I would not be up here making this speech. However, I have taken the time to examine the evidence and all I am convinced of is that we need to know more. I am committed to finding the funds to do the monitoring and the research needed to develop consensus on policy on air quality.

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

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

Mr. MCINTOSH. Mr. Chairman, my Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs has also been looking at these clean air standards and the process which EPA and the White House have used to move forward on that. In developing its air quality standards for ozone and particulate matter, EPA has made an end run around good science, around common sense and around the real concerns of the American people.

With the blessing of Vice President GORE and the President, the agency is now finalizing these standards that may cost more than $60 billion but produce little or no health benefits and frankly put at jeopardy hundreds of thousands of jobs in this country.

In fact a friend of mine said, ''If you think NAFTA created a sucking sound to Mexico, wait till these clean air standards go into effect,'' because then we are going to see a lot of jobs move south of the border and it is going to hurt our good working men and women in this country.

Moreover, Mr. Chairman, these standards may in fact undo the considerable progress that our communities have already been making in attaining high-quality air standards.

When my colleagues think about the young children who are affected by asthma and other problems having to wait an additional 10 years because these new standards put on hold the progress that is being made, that is wrong and these standards are not good for those children.

EPA has ignored the widespread economic and scientific criticism that these standards have provoked throughout the entire Clinton administration and has done everything in its power to cover up those concerns.

Mr. Chairman, those objecting to the rule include the President's Council of Economic Advisers, the White House Science Adviser, the Commerce Department, the Transportation Department, the Treasury Department, the Agriculture Department, and the Small Business Administration in this administration under President Bill Clinton. The Office of Management and Budget staff found that the EPA rules, quote, did not fully conform with the administration's own guidelines for regulatory review.

The President's own Office of Science and Technology Policy objected that the standards are not based on adequate scientific information. Alicia Munnell of the President's Council of Economic Advisers observed that ''the incremental health risk reduction from more stringent standards is small, while costs are high.''

In fact, CEA estimated that the cost of fully complying with EPA's approach could reach $60 billion a year, not $8 billion that EPA has reported.

According to the Small Business Administration, these are the most expensive regulations faced by small businesses in over 10 years. A Department of Transportation analysis on the impact of EPA's standards on States and localities showed that the areas in noncompliance will face economically strangling restrictions to daily operations. However, the Office of Information and Regulatory Affairs, known as OIRA, the office in OMB in charge of supervising this interagency review of regulations, has made sure that the consideration of these regulations never addressed the concerns or heard those from the agencies who disagreed with EPA.

First OIRA, at the request of EPA, helped whitewash a report to Congress drafted by the career staff that was very critical of this regulation. Later OIRA imposed an unprecedented gag order on agency written comments so that these agency concerns were never fully submitted to the public record. As a result, the courts could decide that those concerns may not be taken into account when they review the regulatory process.

Mr. Chairman, this is not how OIRA is supposed to function. OIRA does not handle other rules this way. They are a neutral body in which every concern in the administration can be raised. I want to know who and what directed OIRA to make these questionable decisions. We have been asking to interview the staff to find out what went on, but OIRA has been working to cover up these efforts. They have refused and stonewalled my subcommittee's repeated attempts at oversight to request the facts behind this unprecedented gag order. OIRA has refused to produce documents. Moreover, they have refused to allow their staff to be interviewed by our subcommittee. OIRA has apparently decided that there is too much at stake in their coverup efforts to allow a trusted career employee to tell us candidly what happened.

I am convinced that this rulemaking will eventually be overturned by the courts because it was done under an illegal process. Apparently OIRA agrees that this is likely or at least probable and is doing everything in its power to keep that process under wraps.

Mr. Chairman, in conclusion I would have supported the amendment of my

colleagues. We need to do something about these regulations.

In developing its air quality standard for ozone and particulate matter, EPA has certainly made an end run around science, common sense, and the real concerns of the American public. With Vice President GORE and the President's endorsement, the Agency is now finalizing these standards that may cost more than $60 billion, but may produce little or no health benefits. Moreover, these standards may, in fact, undo the considerable progress that our communities have made in attaining the current air quality standards and implementing Clean Air Act programs.

However, nothing in the law requires the Agency to proceed blindly with standards that will have a multibillion dollar impact and that may not improve and may even degrade human health and the environment. Nothing in the Clean Air Act requires EPA to abrogate its responsibility to take a reasonable approach to regulation when the scientific data is uncertain.

Yet, EPA has ignored the very legitimate concerns raised all around about the wisdom of proceeding to issue very onerous standards in the face of inconclusive science:

EPA has ignored the advice of its own scientific advisory committee. The Clean Air Scientific Advisory Committee indicated that there is no proof that EPA's standards will measurably improve public health. In the case of ozone, they concluded that the proposed standard was not significantly more protective of public health than the current one. In the case of PM, they found significant uncertainty surrounding the health effects of fine particles. In their view, there is no compelling reason to set more restrictive standards at this time.

EPA has ignored the widespread economic and scientific criticism these standards have provoked throughout the Clinton administration, and has done in its power to coverup this dissention. Mr. Speaker, those objecting to the rules include the President's Council of Economic Advisers; the White House Science Adviser; the Commerce, Transportation, Treasury and Agriculture Departments; and the Small Business Administration.

For example, Assistant Secretary for Transportation Policy Frank Kruesi commented that it was ''incomprehensible that the administration would commit to a new set of standards without much greater understanding of the problem and its solutions.''

The Office of Management and Budget found that the EPA rules ''did not fully conform'' with the administration's own guidelines for regulatory review.

The President's Office of Science and Technology Policy objected that these standards are not based on adequate scientific information.

Alicia Munnell of the President's Council of Economic Advisers observed that, ''the incremental health-risk reduction from more stringent standards is small, while costs are high.'' In fact, CEA estimated that the costs of fully complying with just EPA's new ozone standards could reach $60 billion a year.

According to the Small Business Administration, these are ''the most expensive regulations faced by small business in 10 or more years.''

A Department of Transportation analysis of the impact of EPA's standards on States and localities showed that areas in noncompliance will face ''economically strangling restrictions to daily operations.''

However, the Office of Information and Regulatory Affairs, known as OIRA, has made sure that consideration of these concerns are never heard or remains behind closed doors. First, OIRA, at the request of EPA, helped whitewash a report to Congress drafted by OIRA career staff that was critical of the rule. Later, OIRA imposed an unprecedented gag order on agency written comments so that these agency concerns were never formally submitted for the public record. As a result, the courts may not take these agency concerns into accounting in reviewing the rules. Instead, OIRA imposed a highly questionable and unusual ''alternative interagency review process'' to deal with the standards. This is now how OIRA handles other rules. What and who directed OIRA to make these questionable decision.

Finally, the President's decision to back EPA was reached before the Agency's final rules were sent to OIRA for review, despite the requirements of the President's own Executive Order. Therefore, one of the most complex and expensive regulations were subjected to meaningless internal review.

Despite the serious evidence of improper conduct, OIRA has refused or stonewalled my repeated oversight requests to uncover the facts behind OIRA's unprecedented behavior. OIRA has refused to produce documents to my subcommittee, including even a copy of the very rule they are supposed to be reviewing. More significantly, OIRA has refused to allow my subcommittee to interview key senior OIRA officials, including the Branch Chief of the Natural Resources Division who drafted internal reports critical of the rule. OIRA has apparently decided that there is too much at stake in its current coverup efforts to allow this trusted career officer to be interviewed by my staff. I am convinced that this rulemaking will eventually be overturned by the courts due to the illegal rulemaking procedures. Apparently, OIRA agrees this is likely and is doing everything in its power to hide the truth from Congress and the courts.

EPA also has ignored the protests of numerous Governors and thousands of mayors that these standards will have an enormous impact on small businesses and will become one of the largest unfunded mandates ever faced by State and local governments. The era of ''big government'' is by no means over. These new standards will force onerous new control measures and unnecessary lifestyle changes on hundreds of counties that will not be able to comply. The costs of doing business will rise considerably, causing massive layoffs. As Assistant Secretary Kruesi noted, these standards will ''bring a significantly larger proportion of the population and more jurisdictions under Federal oversight and procedural burdens.'' Areas in non-attainment will have to adhere to stringent requirements regarding building permits and uses, transportation plans, industrial uses, and the like. In short, States and localities will face onerous constraints on their constitutional freedom to determine how to run their own communities.

Finally, EPA has ignored the thousands of comments by the general public that these standards may to more harm than good. EPA has completely failed to evaluate the potential negative health effects that might result from its standards. For example, setting a generic fine particle standard may result in controlling particles that don't significantly harm the public health, and not controlling ones that do. Reducing ground-level ozone may cause an increase in malignant and nonmelanoma skin cancers and cataracts, as well as other health risks from ultraviolet B rays. Moreover, the regulatory costs that will be transmitted throughout the economy will increase poverty levels. Workers and consumers will have less disposable income to spend on safety devices, on medical checkups and procedures, and on clean and safe housing.

In this rulemaking proceeding, EPA has openly and blatantly defied the laws passed by Congress that require the Agency to weigh all of these factors in determining how to put our scarce resources to the greatest social good. EPA has refused to comply with the Unfunded Mandates Reform Act, the Small Business Regulatory Enforcement Fairness Act [SBREFA], and the Regulatory Flexibility Act. These laws require agencies to determine the ''real costs and benefits'' to our society of regulations. They represent the only democratically acceptable approach to weigh uncertain scientific evidence and to properly evaluate potential adverse consequences to public health, environment, and the economy.

Once again, the President has bowed to the demands of special interests and the regulatory bureaucracy to increase EPA's authority and budget. EPA's standards represent an irresponsible and illegal rush to judgement that may undermine our Nation's efforts to clean the air. With these standards, we are getting a ''Yugo'' at Rolls Royce prices. No one in Congress should stand for this.

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

Mr. Chairman, I am a firm believer in good science and common sense, and I am also a firm believer in believing my eyes and what I see and what I breathe. People across this country today are fully aware of the consequences of the ozone problems. Just go outside across this country. Temperatures over 100, in the 90's, in the 80's. People are experiencing trouble breathing. This is not just my opinion. On the front page of USA Today, ''Breathing No Fun In The Ozone,'' and it has a picture of, of all places Washington, our Nation's Capital, as seen through a haze of smog. The Capitol barely shows through the ozone haze in Washington, DC.

The American people understand. There is a serious problem with smog in this country, and the American people appreciate the work that the EPA has done in addressing the pollution issues. We are talking about a practical matter here. How many of us today will walk through the tunnels instead of going outside because of the oppressive quality of the air? We are experiencing this. We have to consider the reality of what we are faced with rather than abstract ideas about what the effect of this law may have in the future, when we know right now we need strong air quality standards in order to protect the health of the American people. Do not take my word for it. Just go outside and take a breath of air.

In trying to clear the air here today on behalf of those who are concerned

about the EPA regulations, I also offer for submission into the RECORD the USA Today's article where they talk about ozone danger, ''What You Can't See Can Hurt You.'' Listen to what they describe as some of the problems of dangerous ozone levels, particularly in connection with these very high temperatures, soaring smog levels and stagnant high-pressure systems. They talk about ground level ozone, and it is the main ingredient in urban smog. Naturally occurring ozone in the upper atmosphere protects life by filtering the ultraviolet radiation from the Sun and ground level ozone is produced by vehicle or industrial emissions combining with sunlight and high heat during times of little or no wind.

□ 1345

And they have some of the effects and the health hazards. For example, and people know this, anyone who has experienced the problem of air pollution knows that we can get headaches from it, can irritate our eyes, nasal discharge, shortness of breath, lung damage, sore throat. These are all factors which the EPA actually took into account when they drew up the standards. They did it to protect the American people. The health hazards, high concentrations of ozone can cause inflammation and irritation of the respiratory tract. Ozone can increase asthma and allergy problems and susceptibility to lung infections. Ozone damage to lungs can continue days after exposure has ended.

Mr. Chairman, people know this from their own experience. This is why the EPA has stepped forward.

USA Today goes on to talk about who are the most vulnerable people. Mr. Chairman, we know. We know people in our family are vulnerable to it. They say the most likely to suffer ozone pollution effects are people with lung diseases, the elderly, children, and healthy adults who exercise outside. Children are especially vulnerable because they often play outside and in muggy heat, breathe more rapidly and inhale more air pollution.

Mr. Chairman, is it any wonder then that according to a recent poll an overwhelming 84 percent of voters believe that the current levels of air pollution are dangerous and pose a threat to the health of senior citizens, children, and others? People just have to look outside, and that is why they agree.

Now when informed the EPA is putting in place stricter air quality standards that would strengthen regulations on particulate pollution and ground level ozone, 70 percent of Americans favor those standards. Fully two-thirds of the voters agree with scientists from EPA and the American Lung Association that the best available science indicates the current levels of air pollution can create serious health problems. That is current levels.

Now we need to have standards in place over the next decade so that we can protect many more Americans from experiencing the adverse effects of increase in ozone and particulate matter. Two-thirds of the people agree with statements that certain businesses have tried for decades to scare people by saying that environmental regulations will hurt the economy and will cost jobs. But the regulations always ended up costing less when businesses have made a profit.

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

Mr. Chairman, my dear colleague from Ohio [Mr. KUCINICH] just made the point of those of us that are concerned about these new regulations that are being signed by Director Browner and being proposed by this administration. He is right. We are concerned when we go outside to Washington, DC, and other metropolitan areas around this Nation in hot weather like this and we can breathe the oppressive air. And we think that after sitting in many days of hearings, and understanding that there is not a scientific consensus surrounding these regulations, that money is better spent on making sure that areas like Washington, DC, comply by 1999, by a date certain.

And so if we are concerned about that 10-year-old child who is playing on a playground in Washington, DC, today, why would we want to implement questionable new standards before we have complied with the standards that we have currently? Why would we want to wait another 10 or 12 years until that 10-year-old child is in college before we take action?

What the administration has done today and what Carol Browner has proposed will put off the tough decisions for a later day, will allow the air and the immediate future to stay dirtier longer. The EPA has been saying that they are in favor of taking a wait-and-see attitude and the administration, with a wink and a nod, have said, ''Look at our compliance schedule. We're not going to change these things overnight. We're going to wait.''

Well, if they really wanted to wait until we had PM–2.5 monitors deployed around this Nation, if they wanted to wait until we actually analyze that data, then they would have sat and talked to those of us who have raised these concerns, the dozens of Members, of Democrats and Republicans in this House and in the other body, who have asked the President to sit down, to have a discussion with us. Not only did they refuse to sit and talk to us, they would not even acknowledge our letters.

In my previous life I was a journalist. We always know when someone is evading the question, when someone is filibustering when they are trying to give an answer that they are not happy about and that they are not really in their heart sure that their position is a strong one, and I think that is the reason that EPA has not wanted to sit and talk to us about this. It is why the administration has ignored even those of us from the President's same party who wanted to sit down and talk about a commonsense approach where we can achieve good commonsense clean air standards at the same time that we allow the State implementation plans to move forward, that we allow industry to continue to take the steps necessary that they need to make, the investments they need to make, to continue to clean the air.

I agree with Carol Browner and AL GORE and President Clinton that the Clean Air Act has been working. We have cleaned the air. We have made dramatic steps. I am afraid that what they are doing today will stop and will impede the progress that we are making and that we continue to make.

And that is why I would thank the gentleman from Illinois [Mr. LAHOOD] and many of my colleagues on the Republican side as well as my friends here on the Democratic side who have joined us on H.R. 1984. It is a bill that brings a commonsense approach, that says let us build the monitors, let us collect the data, let us do the science, let us authorize $75 million a year to make sure that this country is headed in the correct direction. Let us not stand in the way of meeting these deadlines, of meeting the targets, that the current Clean Air Act and the current regulations would have us meet.

As Carol Browner testified before our subcommittee for 8 hours in the Committee on Commerce, she talked about the problem of having two sets of regulation at one time, and how are we to believe with a wink and a nod that we are going to promulgate these new regulations but it is not going to have an impact when we know that under the Clean Air Act one citizen's lawsuit could change all of that and that the captains of industry that are out there making decisions as to what areas they are going to locate in, where they are going to be expanding industries, where they are going to be investing millions of dollars; those decisions are being made today, not 10 years from now, and they will not be building in areas that are going to be thrown out of attainment by these new regulations.

Four hundred counties across this Nation will not have a chance to see new jobs, neither an investment of new businesses or of an expansion of the businesses that are there. I have talked to businesses in southwestern Pennsylvania that have said, ''We're not going to make those expenditures in your region.'' They are going to go elsewhere, and I am talking about coming from an area where we have seen the loss of 155,000 manufacturing jobs over the last 2 decades.

I think that H.R. 1984 makes all the sense. I thank the gentleman for cosponsoring the bill and would propose that my colleagues also join us on that legislation.

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

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

Mr. LAHOOD. Mr. Chairman, in April of this year I, along with 10 other Members of the Illinois delegation, sent a letter to Carol Browner, the Administrator of the EPA, urging her to suspend promulgation of those proposed regulations so that further study and analysis could be completed.

In light of the Environmental Protection Agency's own recent acknowledgment that health benefits for those proposed regulations were overstated, I thought it was important that the Clean Air Scientific Advisory Committee attempt to reach a consensus on the health-related data that underlies the proposed regulations by doing further study and investigation.

Earlier on I had considered offering an amendment, but due to other considerations and other deliberations that will be taking place later on, I am not going to do that, but I do believe that asking an independent agency such as the National Science Foundation to conduct an impartial cost-benefit analysis is important, and I would like to ask the chairman of the subcommittee if there would be funds available for an independent agency to look at these standards that now today have been promulgated and will be printed in the Federal Register.

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

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

Mr. LEWIS of California. The gentleman from Illinois is correct. There is a need for this sort of continued and ongoing careful research, and further, I can say that there are additional funds available above and beyond the Presidential request. There are some $40 million, $35 million of those for PM standard evaluation and the balance for ozone. My concerns are very similar to the gentleman's and, if he would continue to yield, let me say that by way of background the gentleman from California [Mr. BROWN] and I share one of the most heavily impacted areas in the country in terms of problems with air quality. We have spent considerable time attempting to implement past regulations and, indeed, are having an effect upon air quality in the southland. I cannot tell my colleague whether we need additional, more difficult regulations or not, but I am very much convinced that there is a need for a better base of scientific work, and thereby I very much appreciate the gentleman's comments.

Mr. LAHOOD. Mr. Chairman, I appreciate the chairman of the subcommittee on this important matter setting aside or making available or having available some funds for this study, and I look forward, hopefully, to the opportunity.

I would like to finish my prepared statement because I want to be on record with the statement that I had prepared earlier.

According to published reports, the Department of Agriculture and the Small Business Administration raised serious concerns when the new regulations were first proposed. Chief among those concerns was the tremendously high cost that farmers and small business would have to pay in order to be in compliance with the new regulations.

The regulatory consequences for nonattainment would include bans on economic development, mandatory car pooling, sanctions on existing agricultural practices, and a greatly expanded vehicle inspection and maintenance program, the cost of which would probably lead to a motor vehicle fuel tax increase and/or regulations or outright bans on items of existing consumer convenience and choice, such as snow blowers, lawn mowers, powerboats, and charcoal grills.

In addition, the new regulations would increase my State's nonattainment areas from 11 counties to 23 counties. The present nonattainment areas are the eight-county Chicago and suburban Chicago area, and the three-county Metro East St. Louis area. New areas would include my hometown of Peoria, Champaign-Urbana, LaSalle-Peru, Effingham, Decatur, the Quad Cities, and a much larger Metro East area, and Jo Daviess County.

Illinois and the Nation has already paid a high price for existing Clean Air Act requirements. Our Nation's energy and industrial strength could be imperiled needlessly by new regulations, and it has been estimated that the Chicago area alone could face compliance costs of $5 billion. Other parts of the State and country could also have to incur the loss of thousands of jobs and billions of dollars in compliance costs.

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

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

Mr. LEWIS of California. The expression of concern by the gentleman is very important, and I know a concern is felt on both sides of the aisle. If there is a classic illustration of important public policy decisions having little to do with partisan politics, this is one of them.

While we have provided funding for additional scientific research, as I have suggested, monitoring and collection of data is very important as well, and the gentleman should know that there is an additional $25 million to help those States, especially the rural States, to participate in that work as well.

Mr. LAHOOD. Mr. Chairman, I appreciate the gentleman's commitment to the further study of this.

I think common sense dictates that all Americans want clean air, but common sense also dictates that Americans want reasonable and commonsense approaches to the way that we deal with these matters, and I hope that further study will enable us to reach an agreement and compromise in how we go about doing that.

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

Mr. Chairman, having worked on the Clean Air Act for over 22 years, I want to point out something that has happened in this body every 6 or 7 years. The industry gets people stirred up with predictions that we have to choose between a clean environment on the one hand and a thriving economy with jobs for our people on the other, and that is a choice that is a false one. Mr. Chairman, it is a false one that has been offered to us in the past, and the record has proved that it was a false choice.

The 1990 Clean Air Act was adopted overwhelmingly by a Democratic controlled Congress and heartily endorsed and signed by a Republican President. At that time we set in place a law that has worked successfully, not just as an environmental bill, but one of the most successful Government programs that we have ever had. Air pollution has been reduced dramatically in some places, and at a fraction of the costs that were predicted when we held all those hearings in preparation for that legislation.

□ 1400

I want to cite some examples. In August 1990 there was a group called the Clean Air Working Group. It was the principal business group fighting the Clean Air Act Amendments of 1990. They came in and estimated that the 1990 amendments would cost industry between $51 billion and $91 billion a year. In fact, compliance costs are now estimated to have been just $22 billion annually upon full implementation of the law in the year 2005, 57 to 75 percent lower than the industry calculated, nearly 10 percent lower than the Bush administration even estimated in 1990.

We passed a law, it took a long time to do it, to control the pollutants that cause acid rain. When we were discussing that, the electric utilities came in and said this is a terrible idea, even though we were going to use market mechanisms to reduce the cost of the compliance to get these pollutants down. They said, it is going to cost between $1,000 and $1,500 for every 1 ton of sulfur dioxide emissions that we reduce.

We went ahead and adopted the law, especially at the urging of President Bush. We had in fact an allowance of now under $100 a ton of SO_2 emissions. There are other examples I can go through. But the essential point that I want to make to the Members is that the choice that we are being told by some people, that we are going to have to choose between protecting the environment or with extraordinary costs protecting the health of our kids, asthmatics, the elderly that live in our communities, on the one hand, or protecting jobs on the other, is an absolute false choice.

There was the issue before the Administrator of the Environmental Protection Agency. She had recommendations from her scientific advisory board

as to what is the standard to protect the public health. The Clean Air Act calls for her to set that standard. She set it based on good science. The President has said that those standards are to go into place. It is going to take maybe as much as a decade to reach those standards.

In the meantime, we can evaluate the science as more information might come up. We can develop implementation plans that are commonsense plans.

We were told in 1990, no more power lawnmowers, no more backyard barbecues. You cannot have a strong Clean Air Act. It will drive people out of business. People will lose their jobs. It is just not true. That has not been the reality. The dire consequences that industry has predicted have not and will not come to pass.

Mr. Chairman, I want to point out that the law was adopted in 1990, and we are now in the seventh year of an economic boom. We can show Members the statements made by some of these same people that are making these statements today, that our economy is going to be lost. So I want to put a little sense of perspective in this debate when Members come here with a great deal of anguish about the Clean Air Act.

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

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

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague yielding. He and I have worked together regarding clean air matters for many a decade, and indeed, in the California Legislature we worked on the establishment of what is the toughest air quality management district in the country.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 3 additional minutes.)

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

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

Mr. LEWIS of California. Mr. Chairman, upon arriving in Congress, I was privileged to join my colleague in sponsoring legislation that would lead to the development of alternative fuel sources for automobiles. Indeed, we are both committed to this subject area.

However, I would say to the gentleman from California [Mr. WAXMAN] that I think he knows that I am among those who now are concerned that we make absolutely certain that we move along a pathway that is based upon sound science, particularly as it relates to people's health. That has to be our priority. But indeed, at this moment I am concerned about the kind of information flows that are coming between the Environmental Protection Agency, the administration, and the Congress.

The gentleman has taken some steps, I believe, to help improve that communication. Some of those channels opened just recently. I appreciate that. But it is most important to me that we not take steps without sound science if those steps would lead to undermining the credibility our past clean air efforts have developed.

It is a very delicate moment. I certainly do not join those who are bringing the entire roof down as a result of every proposal, but in the meantime, that is why we have this funding in here for outside research by NIEHS to develop sound science and continued scientific work. So I appreciate continuing to work with the gentleman.

Mr. WAXMAN. Let me say to my good friend, the gentleman from California, that I know of his work in this area. We have collaborated together for a strong Clean Air Act. I know he has a strong commitment to cleaning up the environment and protecting the public health. I join the gentleman in wanting to be sure that we have good science upon which we make our determinations.

I think that the Administrator of the Environmental Protection Agency did get good science. Science is never definitive. We are always learning. That is why I do appreciate the fact that the gentleman is calling for more money to continue to review the scientific information.

If there is more information that comes about, an adjustment should be made and I think that is appropriate. We do not want anything frozen in any incorrect way. We have to respond to new information and new circumstances.

But the Clean Air Act, as the gentleman knows, has been a success because it is based on protecting the public health and based on a standard that is set, given the latest scientific information we have. Let us continue to review it, but I think that the standards that are being promulgated are worthy of going into effect because the science, I feel, is sufficient for the Administrator to making the determination.

Mr. LEWIS of California. I look forward to working with the gentleman.

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

Mr. WAXMAN. I yield to the gentleman from Minnesota.

(Mr. VENTO asked and was given permission to revise and extend his remarks and to include extraneous matter).

Mr. VENTO. Mr. Chairman, I appreciate the gentleman yielding and the points being made on this act. I appreciate especially the forbearance of Members who had planned to undo the work. I hope we can work with the EPA. This is an important issue. I happen to support the position of the gentleman from California on this, and I urge Members to continue to review this and monitor it.

Mr. Chairman, I opposed the amendment offered by Representative TIAHRT to reduce and or defund AmeriCorps but not because I do not care about our U.S. veterans as my colleagues on the other side of the aisle might have you think. On the contrary, I have nothing but great respect for the men and women that served our great Nation. It is because of this very respect for service that I must oppose the Tiahrt amendment. It goes without saying that we need to research the causes of gulf war illness, but this is not the appropriate funding with which to conduct that research. Furthermore, approximately $100 million are provided to research this illness which too many in positions of authority have denied even exists.

Last year, more than 25,000 AmeriCorps members served across the United States. AmeriCorps members assisted more than 11.5 million people, collected almost 1 million pounds of food, and distributed 5,000 pounds of clothes. Participants in the AmeriCorps program ran violence-prevention after school programs for nearly 50,000 youth and developed and distributed almost 40,000 packets of information on drug abuse, health care, and street safety.

AmeriCorps volunteers immunized almost 65,000 children and adults, cleaned up over 3,000 neighborhoods, rehabilitated nearly 5,000 housing units, tutored over 500,000 children, and the list goes on. And let me not fail to mention the fact that the AmeriCorps Service Program leveraged almost 700,000 hours of service by unstipened volunteers last year.

My point is that AmeriCorps works. No matter what my colleagues on the other side of the aisle may tell you or what groups they may try to pit against each other—AmeriCorps works and is needed. The stipend paid AmeriCorps participants is needed by the degreed student graduate with tens of thousands of loan dollars owed. Graduates today don't have the financial ability not to respond to this in a modest way with a stipend.

This spring as all of you I am certain will recall, the Midwest was ravaged by the most horrible flooding in over 500 years. The floods were of truly Biblical proportions. People lost their homes, their belongings, and sometimes even the Main Street in their hometowns. Volunteers from the AmeriCorps Program did the State of Minnesota and the entire Midwest an invaluable service—they helped save the Heartland. AmeriCorps volunteers pitched sandbags, helped displaced families find emergency shelter, coordinated emergency food and medical deliveries in addition to leading other volunteers in one of the toughest battles against nature in five centuries. These teams of AmeriCorps workers were Red Cross trained and certified and they stayed with those Midwestern families until the end, and in fact some are still there working.

So you ask yourself if AmeriCorps is a necessary program and if you hesitate in your response, I can introduce you to tens of thousands of people from the flood ravaged plains of the Heartland who could make you certain that yes, indeed AmeriCorps is a necessary program.

I urge my colleagues to vote ''no'' on the Tiahrt amendment and to truly defend service. I have an editorial from the St. Paul Pioneer Press outlining the merits of the AmeriCorps Program which I would like to submit for the RECORD.

The material referred to is as follows:

[From the St. Paul Pioneer Press, June 29, 1997]

AMERICORPS WINNING CONGRESS TO ITS SIDE

(By Bill Salisbury)

Instead of holding traditional graduation ceremonies, about 350 Youth Works/AmeriCorps members from across Minnesota traveled to East Grand Forks and Crookston on Thursday and Friday to help in the ongoing cleanup after this spring's devastating floods.

To mark completion of their year of community service, the young volunteers helped child-care providers repair their homes, unloaded truckloads of donated supplies and removed sandbags.

While they were toiling in the Red River Valley, congressional budget-writers here were deliberating over the fate of AmeriCorps, President Clinton's 4-year-old pet program that gives students financial aid in exchange for a year of paid service.

The program is a favorite target of Republican critics, who see it as a political boondoggle and argue government has no business promoting volunteerism. They say the 24,000 AmeriCorps members are a drop in the ocean compared to the estimated 80 million Americans who do charity work of their own accord.

Critics question whether spending tax dollars on paid volunteers—each receives a $7,600 living allowance plus a $4,725 scholarship—should be a high priority in a time of tight budgets.

Last year, the House voted to zero out AmeriCorps' budget. It was restored later in negotiations with the Senate.

Former Sen. Harris Wofford, CEO of the Corporation for National Service, which runs AmeriCorps, answers the critics by measuring the results of the programs to show that they ''get things done.''

Last week, he trotted out a study of AmeriCorps accomplishments in 1995–96. In all, the study concluded, more than 9 million individuals benefited from AmeriCorps service.

Hardly anyone disputes that AmeriCorps volunteers do good work. The question is: Why do we need full-time, paid volunteers?

Answers Wofford: ''You can't put part-time volunteers to use unless full-time people are there to set up the projects they're working on.'' He believes the AmeriCorps response to the Red River flood makes the case for full-time volunteers. At the request of the Red Cross, 15 members of the program were sent to Grand Forks on April 12.

Other teams followed. They pitched sandbags, rescued flood victims, helped displaced families, assisted at temporary shelters, coordinated emergency food delivery and conducted damage assessments. More than 70 AmeriCorps members were in the flood region, and teams are still working there.

Trained by the Red Cross in first aid, CPR and other skills needed in natural disasters, the teams ''provided a cadre of leaders who organized other volunteers,'' Wofford said. ''They came in fast, and they're staying to the end.''

AmeriCorps volunteer Sheila Slemp, 24, of Big Stone Gap, Va., just finished a four-week stint in Grand Forks. She didn't provide much leadership; she did back-breaking work on a ''mud-out'' crew. They cleaned sludge out of basements.

''Every time you went into a different house, you just prayed for the drains to work,'' Slemp said. Most didn't, so the volunteers shoveled the muck into buckets and hauled it upstairs by hand, all day long. They slept on a college gym floor at night.

''No matter how tired you were, meeting the people we were helping made it all worthwhile,'' Slemp said. The homeowners appreciated the help. Many cried in gratitude, she said. ''Other people told us that we gave them hope not only for their own future, but hope for the next generation.

''Seeing the expressions on their faces and realizing we can make such a difference makes it more than worthwhile,'' she said. ''You don't get that kind of satisfaction many places.''

Slemp is finishing her year of service and preparing to use her scholarship to attend Case Western Reserve University, where she plans to get a graduate degree in social program administration.

It's volunteers like Slemp who seem to have persuaded Congress that AmeriCorps is worth keeping around after all. Last week, a House appropriations subcommittee voted to continue funding AmeriCorps at its current level. That was just the first hurdle in the budget process, but it probably was AmeriCorps' biggest obstacle.

It signaled that the biggest program that Clinton has added to the federal bureaucracy is likely to stick around for a while.

Mr. WAXMAN. Mr. Chairman, whenever we have done clean air legislation we have done it on a bipartisan basis. It has never been a partisan issue. It should not be. We have always done it by trying to get all the very best information, but we should never give in to those who want to give us that false choice of an economy that is thriving and jobs on the one hand and protecting the environment on the other. We do not need to make that choice and history has borne out that we can have both.

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

Mr. Chairman, I rise in strong support of this legislation. My fellow Californian and my close and good friend, the gentleman from California, Mr. JERRY LEWIS, should be commended for crafting a very responsible bill which will help us lead to cleaner air in the future. Among its other strengths, it protects veterans, improves housing programs, and ensures a cleaner environment.

I want to highlight a particularly important provision of the bill, as we have been discussing. As we know, the President has thrown his support behind EPA's proposed air quality standards for particulate matter and ozone. Whether Members support these standards or oppose them, one thing we should all agree on is that we need to do more research if we are to guarantee adequate protection for our children and the elderly.

As the chairman of the subcommittee that authorizes EPA's Office of Research and Development, I introduced a bill which passed through Congress and through our committee on a bipartisan basis unanimously to provide research money above the administration's request.

In three hearings we held on the matter, the scientific experts all concluded that the science was inadequate at this time. They said we needed additional funding to get at the very basic questions about the health effects of ozone, and particularly small particulates at the 2.5-micron-and-below size.

I am pleased that the gentleman from San Bernardino worked closely with me to provide the funds in this bill, and it is further evidence of his dedication to a cleaner environment. I congratulate the gentleman and thank him for his work.

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

Mr. Chairman, I have been listening to this discussion of these clean air standards promulgated by EPA with some interest. I am very glad that EPA has promulgated these standards. There has been increasing scientific evidence for a long time, and in particular with respect to the very small particulate matter which previously was thought not to have deleterious impacts on health and now we know has the most severe impact on health.

I think it noteworthy that it was the scientific people in EPA who said to promulgate these standards. Where did the questioning come from? Not from the scientific people, the health people, but from people in the Office of Management and Budget, from people concerned with budgets and economics.

Mr. Chairman, I agree with the gentleman from California [Mr. WAXMAN]. History shows us that it is a false choice to say the environment or jobs. We have had much more stringent environmental regulations than previously and we have had the greatest boom in recent history. What history shows us is that far from being an economic detriment, stronger compliance with clean air standards, stronger clean air standards, leads to the creation of jobs in attaining the clean air standards.

Yes, companies have to spend money. Local governments have to spend money in attaining clean air, higher clean air standards, in cleaning up emissions. But what do they spend money on? They spend money on more equipment, on scrubbers, which someone must manufacture. They spend money. They spend money on technology or on different means of waste disposal, all of which creates jobs. So I do not think that there is a conflict here.

But even if there were a conflict, how do you say to a mother of a child dying from asthma, or a middle-aged person in severe respiratory distress, ''That is too bad, it would have cost an extra penny cigarette tax or an extra 2 cents gasoline tax to save your life and the lives of several thousand people like you''? I do not see how we make that equation. I would not want to be in the position of having to explain that to people in health difficulties.

Mr. KENNEDY of Rhode Island. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Chairman, it is a good point the gentleman is making. The fact is, we hear a lot about this questioning of scientific data on this issue. The fact is, we can talk to any pulmonary physician, any doctor that takes care of people with asthma, emphysema, any kind

of pulmonary disorder, and they will tell us, when any region of the country is in noncompliance they see a correlation between that region of the country being in noncompliance and a higher rate of incidence of asthma and hospitalizations due to pulmonary disorders.

So there is not a lot of confusion. There should not be any confusion on this floor about the health effects of air pollution, and most particularly on a day like today, when we are seeing a red alert here in the District of Columbia and in my region in New England. We are seeing higher hospitalizations as a result of this poor air quality.

Woe be on us if we do not do something to improve the air quality by moving forward with these EPA recommended standards.

Mr. NADLER. Reclaiming my time, Mr. Chairman, I thank the gentleman. He is entirely right. Any doctor will tell us that, especially with the ozone and the small particulate matter these regulations will for the first time deal with.

The gentlemen say that these new regulations will put 400 counties into noncompliance. That may be so. But that does not tell us that that is a terrible thing. That is a good thing. It means that we will start bringing up the breathability of the air in those 400 counties so people do not die or suffer health effects from breathing bad air in those 400 counties.

My own county of New York County is in noncompliance with current regulations. I wish the enforcement of EPA were stronger so we could get our city and State governments to take stronger action that some of us have been fighting for for years. So the fact that lots of areas will not be in compliance says we have now discovered that they are not in compliance, it is a fact of physics, it is a fact of health, it is not a thing to be deplored, and that we will now start curing that problem.

Again, there is no economic problem. We are told always that there is an economic problem. History does not bear that out. The science is good science. Those who oppose this science, we hear every time when we come to this, the industry says it is bad science. It is like the tobacco companies saying that the Surgeon General and EPA had bad science. I trust the professionals and EPA to make those decisions more than I trust people in industry with a vested interest, or for that matter, people in this House who have political and other interests.

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 30 additional seconds.)

Mr. NADLER. Mr. Chairman, these decisions ought to be made on the basis of the health and scientific evidence. That is why the Clean Air Act asks the EPA to update this data every 5 years. They have done that. We should not interpose a political judgment. If we need help for governments, local governments, for industries to attain these clean air standards, let us legislate that. Let us appropriate money if necessary. But let the science be the science. Let the health of our citizens be paramount. Let us protect our people.

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

Mr. Chairman, I realize we are on title III, but since title II passed so fast, I did not get the chance to offer my amendment. For 5 years I have struggled with the Department of Housing and Urban Development to help the citizens of my district in Houston.

Houston is a city with a growing population, and with this growth there is a definite need to address the issues of more affordable housing and access to HUD programs.

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Over the past 5 years I have tried to work with HUD and have received various verbal commitments and assurances that Houston, the fourth largest city in the Nation, would receive the necessary HUD staff and programs to be an effective agency for the citizens of Houston.

I have written numerous letters to HUD about this request. In fact, in a 1994 HUD memo from the Secretary's office, it suggested that the Houston field office be upgraded and receive all the available programs. Again, Houston is the fourth largest city in the country, and out of the 10 largest metropolitan areas, Houston is the only one without a fully serviceable HUD office.

With this amendment, I was going to send a message, realizing that on an appropriations bill we cannot legislate, but I was going to send a message to HUD that the citizens of Houston need an office of community planning and development and also an Office of Inspector General, making all HUD programs available in our Nation's fourth largest city.

The office of community planning and development provides technical assistance and the monitoring of State and local entities receiving Federal funds to assist with elderly and disabled housing loans, CDBG and funds for Houston's enhanced enterprise community.

When I go back to my district and I talk to seniors and families and local elected officials from Houston and from Pasadena, they all have some concerns about housing for the elderly. An office of community planning and development would aid the citizens in my district and the district of the gentleman from Texas [Mr. BENTSEN] to gain access and administer funds to renovate, locate, and build elderly housing. This office also oversees the funding and provides technical assistance to Houston's enhanced enterprise community.

HUD came up with a great idea to provide funds to local governments to help their economically disadvantaged areas. These areas are called Empowerment Zone and Enterprise Communities. Through tax breaks to businesses and access to Federal funds, HUD hoped to revitalize disadvantaged areas. Houston has an enhanced enterprise community. We have access to almost $200 million to help revitalize parts of Houston. It would be a shame not to have a local HUD office that could work with us.

Another program office that we do not have and is very needed is the office of inspector general. An office of inspector general has the mission to locate fraud, waste, and abuse in HUD programs. The most recent and blatant misuse of taxpayers' dollars is the dealer portion of the title I program. The title I program is designed to give people an opportunity to fix and improve their homes.

Unfortunately, there are some people who took advantage of this program for their own gains. The dealer portion of title I allowed a contractor to solicit homeowners into applying for a loan. Then the contractor would receive the money directly, do partial improvements, and keep the rest of the money while the homeowner had to foot the bill.

KTKR–TV in Houston investigated this abuse and they reported a whopping $50 million was stolen by corrupt dealers in Texas alone. They confronted contractors and even went to the HUD office here in Washington looking for answers. HUD's response was to eliminate the dealer portion of title I, which helped us, but again we could have caught this long before. If we had had an inspector general in Houston instead of being in the nearest office which is Fort Worth. Fort Worth, which is 200 miles from us, and with their budget crunch we could not get people to travel from Fort Worth to Houston to do the investigation. Again, this happened in the fourth largest city in the Nation.

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

Mr. GREEN. I yield to the gentleman from Texas.

Mr. BENTSEN. Mr. Chairman, I just want to echo the gentleman's comments. This is very important. I am sorry that the gentleman was not able to offer his amendment. But we are talking about the fourth largest city in the Nation, the third largest county in the Nation.

The fact is that there are other offices in smaller areas, smaller cities such as Miami, Albuquerque, where HUD has put the resources. We are not asking necessarily for additional staff but we are asking for the powers to address these problems, to ensure that the HUD programs are carried out properly and that we do not have the abuses like we have had with the title I program.

I commend the gentleman for offering his amendment or speaking on it.

Mr. GREEN. Reclaiming my time, Mr. Chairman, again the amendment was not germane because we cannot legislate on this appropriations bill. Again, the purpose of this amendment was to give us an opportunity to talk about Houston's situation. I appreciate both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES], the ranking member, for their assistance in working on this issue.

This did not just came up yesterday. We have a chronology of letters starting in 1995, but also personal visits for 5 years with HUD officials to talk about upgrading the office and needs of Houston. HUD, plain and simple, has been unresponsive to the needs of the citizens of Houston. Because of this, those of us who share Houston, Mr. Chairman, will be back and looking to see that the citizens of Houston get the service they deserve.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentlewoman from Texas.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GREEN] has expired.

(On request of Ms. JACKSON-LEE of Texas, and by unanimous consent, Mr. GREEN was allowed to proceed for 1 additional minute.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to applaud the gentleman for his foresight on this amendment. I am sorry that his amendment was not offered. I wanted to join him in the great concern for an enhanced HUD office in the Houston area serving all of our districts.

Particularly I want to emphasize the need for an inspector general, and, as well, the gentleman is right with the enterprise zone money. We want the best utilization of those enterprise zone moneys, and a planning component would be vital. I hope HUD will listen to us. I hope that we can again have another meeting, this time with Secretary Cuomo, on this very important issue that would help enhance this area.

Mr. GREEN. Mr. Chairman, again, I thank the chairman for the commitment to work with us over the next year, and we will be looking for other opportunities to address the needs of Houston.

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

Mr. Chairman, I would like to engage the chairman in a brief colloquy regarding the Center for Space Power. The Center for Space Power is located at Texas A&M University in College Station, TX, in the Eighth District which I represent. The center provides many positive benefits to the space industry, such as developing technologies for space power, commercial ventures, and conducting research and development for space power with NASA.

Mr. Chairman, I would like to work with the gentleman to request inclusion of language from last year's appropriation legislation which recognizes the very positive contributions of the Center for Space Power and urges NASA to continue to support this activity, and hope that the chairman agrees with me.

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

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

Mr. LEWIS of California. Mr. Chairman, I very much appreciate the gentleman bringing this to my attention one more time and in doing so representing his district so well. I thank the gentleman for his remarks and pledge to work with him on the issue as we move through the conference with the Senate.

I might add further, for the Members, the amendment pending is supported by the gentleman from Ohio [Mr. STOKES] and me. It will be passed by a voice vote, and following that I believe we will get to the end of the title and have a series of votes at that point in time.

Mr. BRADY. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, $175,000,000, 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 and rental of conference rooms in the District of Columbia, $632,500,000, to remain available until September 30, 1999: *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.

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 and headquarters relocation; $136,950,000: *Provided*, That contracts may be entered into under ''Salaries and expenses'' in fiscal year 1998 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, $4,850,000, to remain available until September 30, 1999.

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), $70,000,000.

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; $23,413,000: *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.

AMENDMENT OFFERED BY MR. WISE

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

The Clerk read as follows:

Amendment offered by Mr. WISE:

At the end of title III, insert the following:

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Chemical Safety and Hazard Investigation Board, as authorized by section 112(r)(6) of the Clean Air Act, $3,000,000 which shall be derived by transfer from amounts made available in the account for ''ENVIRONMENTAL PROTECTION AGENCY—Environmental Programs and Management''.

Mr. WISE. Mr. Chairman, following the discussion I believe there are several Members that wish to discuss this. The agreement I had with our chairman and ranking member was that we would then move to or ask permission to withdraw the amendment.

It is important to have this amendment up for discussion. What this amendment does is to remove, to transfer, not to remove but to transfer $3 million from the EPA Environmental Programs and Management Fund to the Chemical Safety and Hazard Investigation Board. What is the Chemical Safety and Hazard Investigation Board? A very good question. It is a board that was created by this Congress in 1990. And it was directed that there be five appointees by the President in creating this board that is similar to the National Transportation Safety Board.

The Chemical Safety Board was established as an independent agency modeled after the Transportation Safety Board and charged with investigating and reporting findings concerning chemical-related accidents.

In 1994 the Senate actually confirmed three of the President's nominees as board members. Three of the five have been confirmed by the Senate. However, since then the administration, and particularly the Office of Management and Budget, have refused to submit the board's budget to the Congress of the United States.

What we are doing is asking in this amendment that the Congress take some of the money that is necessary for the operation of this board and actually give it to the board.

You might ask, why is it the administration has refused to act upon and mandate a directive of the Congress? The administration says that in the investigation of chemical accidents, that the EPA and OSHA can do the same job. But that is not what the Congress thought in 1990. In fact, the Congress directed that in creating the Chemical Safety Board in the same manner as the National Transportation Safety Board, that it would be able to have enhanced ability to investigate the root causes of chemical accidents and chemical incidents.

The purpose is to create a board similar to the National Transportation Safety Board, a board which would have authority to investigate and report on root causes of chemical accidents, a board that would not assign blame for specific accidents, and indeed a board in which the information presented to it could not be used for prosecution or litigation; in other words, a board that all parties could feel comfortable working with.

Does this take away the very important powers of the EPA and OSHA? No, it does not. They still have their regulatory powers. They still have their prosecutorial powers. They still have their investigative powers. But this board would be able to get at the root causes in ways that the EPA and OSHA never could.

The administration claims that there is a memorandum of understanding fully functional between EPA and OSHA that makes it unnecessary to have this board. Not the case. In the roughly two years that OSHA and EPA have operated under the board's function, they have produced no joint reports on accidents, sometimes in violation of their own deadlines. Perhaps they do not work as well together as they should.

At any rate, this board is directed to do exactly what EPA and OSHA are not doing so well together. This board is the only entity that has the solid statutory and legal authority to investigate accidents. The root causes of accidents are what we are trying to get at. Is there a pattern? How can you avert that pattern? That is what this board is about.

The board commands community support. It has industrial support. It has union support. Indeed, much as the National Transportation Safety Board has provided the necessary credibility and the necessary research into the cause of aviation and railroad and other accidents, so the Chemical Safety Board would do the same. It has a chairman, Paul Hill, who has a great deal of respect. He is presently chair and president of the National Institute of Chemical Studies created in my State of West Virginia following the Bhopal tragedy.

What he has done there in some ways, in many ways is what is trying to be done on a national level. It has two other board members. They are called upon to go out and investigate accidents. The only problem is they have no money to get there. They have nothing that they can do once they are there.

So what this amendment would seek to do is to send a clear statement to the administration that what Congress has directed that you create, namely, the Chemical Safety Board, that a board in which there are already three presidential appointees, not only appointees nominated but appointees confirmed by the Senate, indeed a board that has powers unique to itself and very important to the true investigation of chemical-related accidents, that this board be adequately funded.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

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

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding to me. I thank him very much for offering this amendment and for the committee's indulgence in our consideration of this amendment.

I believe that this is a terribly important amendment. Like the gentleman from West Virginia, I represent a constituency that has many petrochemical industries within the boundaries of my congressional district. We have refineries and we have manufacturers of chemicals and users of those chemicals.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. WISE] has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. WISE was allowed to proceed for 3 additional minutes.)

□ 1430

Mr. MILLER of California. Mr. Chairman, I think the gentleman makes an important point that this board holds out the prospect of allowing the communities and the industries to cohabitate, because the industry knows that it can invite this board in to look at the root causes of these serious accidents and explosions and other incidents and not suffer the concern about liability; that this evidence or this discussion or this investigation can be used in litigation. And then they can share that with others in the industry in similarly situated facilities and hopefully reduce and improve their efficiency, reduce the accidents and have some confidence of the community that, in fact, an effort is made to get to the root causes.

In my own community we have suffered a number of accidents in this recent year, but the problem is that the community has lost its faith in the regulatory agencies. They are in a confrontation with the regulator, with the industries. They have lost their faith in the industry. I believe this board can provide a circuit breaker so we can get back to a discussion of the problems that confront these industries.

I just wondered if the gentleman knows, my understanding is this memorandum of understanding has not been completed, and EPA itself has some serious questions about whether or not they have the authority to conduct their part that has been assigned to them by the administration.

Mr. WISE. Reclaiming my time, Mr. Chairman, the memorandum is truly nonfunctional at this point, is my understanding, and the two agencies simply are not working together, either under it or in any other context, as they should be.

And, indeed, as the gentleman points out, they will never be able to perform the purpose of this board because they do bring the prosecutorial side to it and the regulatory side.

Mr. MILLER of California. If the gentleman will continue to yield, the industry has got to be reluctant to allow EPA in because EPA has another function. OSHA has another function. That is, in fact, they have to fine them or deal with the industries in a regulatory sense if they see these flaws. And yet those are the same agencies we are asking to come in and do an impartial discussion, investigation of the root causes.

Mr. WISE. Mr. Chairman, this is like if someone knows they have a problem and they want to clean it up but the only person they can invite in is the policeman and the prosecuting attorney.

Mr. MILLER of California. Exactly. That is the importance. And I would hope that the committee, in further deliberations, would consider funding this board.

I think this board that was arrived at is an answer that was arrived at by industry, by concerned citizens, by professional organizations so that we could, in fact, get to the root causes of some tragic, tragic accidents, that I will go into in a moment here that have happened not only in my district but elsewhere in the country; and, again, I thank the gentleman for offering his amendment.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. WISE] has again expired.

(By unanimous consent, Mr. WISE was allowed to proceed for 1 additional minute.)

Mr. WISE. Mr. Chairman, I simply want to say that, for those who would feel that it is hard to make progress sometimes when there is only an option of more prosecution or more regulation, then this board, I think, meets those concerns because the information derived from its findings cannot be used in prosecution or litigation. For those who believe from an environmental standpoint that we need more investigation of chemical accidents, this board also meets those concerns.

That is why I am grateful for the bipartisan support, such as the gentleman from Pennsylvania [Mr. FOX],

the gentleman from New York [Mr. BOEHLERT], the gentleman from California [Mr. MILLER], and others who have been so active in promoting this.

Mr. FOX of Pennsylvania. Mr. Chairman, I rise in support of this amendment.

I first want to thank the gentleman from West Virginia [Mr. WISE], the gentleman from California [Mr. MILLER] and the gentleman from New York [Mr. BOEHLERT] for their leadership on this issue.

I rise with my colleagues to offer the amendment. In offering the amendment we wish to raise awareness on an environmental and safety issue which is nonregulatory in nature. We are asking the House to act and appropriate funds for the chemical safety and hazard investigation board. It is our belief this board has the potential to save lives through its findings and to enhance the public's trust of Government and industry.

Created under the 1990 Clean Air Act amendments, the Chemical Safety Board was and is a forward-thinking concept, a board that would investigate the root causes of accidents without threatening companies with litigation or enforcement actions which may come as a result of the involvement of a regulatory agency such as EPA or OSHA.

The board will allow more thorough investigations of accidents such as the explosion and fire in a tank farm and oil plant in Freedom, PA, which left three employees dead. The board's findings may prevent further accidents such as the hydrogen peroxide explosion at a chemical plant in Linwood, PA, which left one plant worker dead.

I too share the concerns of many who have followed the board's history concerning the creation of a new Federal agency. However, it is my belief and that of others that the benefits that may accrue to the public, industry, and Government far outweigh this particular concern. A nonregulatory body such as this, modeled after the respected National Transportation Safety Board, will lead to greater cooperation between industry, labor, communities, and governments in the interest of public safety. Only the board will have the statutory authority to do this kind of work in the most effective manner and many in industry are beginning to recognize this.

I would prefer to see this board conduct the necessary investigations rather than another agency. Our amendment would take $3 million already appropriated and direct it to the board.

We are interested in working with the chairman, who has done an outstanding job with the bill and with the committee and my colleagues to ensure that, should the board be funded, it would be closely watched and held to its primary mission of investigating accidents and providing safety recommendations for workers.

In that regard I ask that my colleagues support our call for a nonregulatory body which would enhance public safety.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. FOX] for his support of the amendment offered by the gentleman from West Virginia [Mr. WISE].

Mr. Chairman, in January of this year a hydrocracker reactor exploded at an oil refinery in my district and killed a worker, Michael Glanzman, and injured 44 others in a blast that could be felt 20 miles away.

The year before that, again in my district, two workers were injured when a hydrogen unit blew up. The explosion sent a 24-inch elbow pipe which crashed into a trailer normally filled with workers but, thankfully, was empty during the accident.

In 1993 a toxic cloud of sulfuric acid spread throughout one area of my district, sending thousands of residents to the hospital and spurring a widespread effort to provide a better warning system to the local community in the event of future industrial accidents. These accidents have cost these industries tens of millions of dollars.

The amendment offered by my colleague from West Virginia on behalf of the gentleman from Pennsylvania [Mr. FOX], the gentleman from California [Mr. WAXMAN], the gentleman from New York [Mr. BOEHLERT] and the gentleman from California [Mr. STARK] seeks to devote adequate resources to prevent the kinds of horrific industrial chemical accidents that have killed and injured workers by the score over the years, terrifying and polluting our communities across this Nation.

The Chemical Safety Board, if funded today, would help prevent fatal chemical accidents from occurring in the future. It will not do so by punishing companies for past accidents but by providing information on those accidents so that the industry can learn from their mistakes rather than simply pay for them.

While responsible parties must accept blame in the face of appropriate penalties for violations of the law, the board's job is not to assign blame. That is the job of the regulatory agencies. The reports prepared by the board cannot be used to sue chemical companies or to prosecute them. The board will determine whether the accident is just that or whether systematic errors are at the heart of the tragedy, systematic errors that can be addressed and hopefully be remedied.

The board is modeled after the National Transportation Safety Board, which has helped to make flight one of the safest means of travel in the world. The Chemical Safety Board is an investigatory board that examines the root causes of industrial accidents resulting in serious injuries, fatalities and major property damage.

Mr. Chairman, the Congress was correct when in 1990 it established a Chemical Safety Board. It has erred, however, in failing to fund that board since then.

The current system of root cause investigation is unacceptable. President Clinton, in an effort to reinvent government, divided the board's responsibilities and assigned them to the EPA and to OSHA.

EPA, part of the overall funding increase in this bill, has been given additional funding to carry out this mission. OSHA, on the other hand, has been asked to perform this with additional responsibility with no additional funding, further taxing the limited resources of this important agency.

Mr. Chairman, I support the work of EPA and OSHA, but it is improper and impractical to ask them to carry out the investigation of the root causes of chemical accidents. EPA and OSHA are regulatory, not investigatory agencies. For better or worse, they have often had adversarial relationships with the industries that they are now being asked to investigate. Moreover, Mr. Chairman, EPA and OSHA are facing difficulty working together under this vague memorandum of understanding referred to by the gentleman from West Virginia. In the 2 years since they have taken on the board's mission, they have yet to produce an accident report jointly, sometimes in violation of these deadlines.

More importantly, they have questionable statutory authority, a startling fact noticed by industry. In my own district, EPA officials approaching a plant to investigate a recent accident were stopped at the gate by the plant employees who requested written authority to enter the plant. EPA officials were not able to produce such authority and I understand were denied entry. The authority, Mr. Chairman, resides completely within the Chemical Safety Board.

This does not sound like prevention to me. I understand there is support for the efforts in the Senate, and I would urge the subcommittee chairman and the ranking member to consider supporting amendments today to transfer to the board and give funds to EPA to do the board's work. It is not a large amount of money, but the board is not a large institution. Let us fund the mission, let us send a message to the communities like mine and so many others across the country that Congress supports an effort to make them a safer place to live.

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

Mr. MILLER of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague from California yielding, and I appreciate very much the way the gentleman from California, as well as the gentleman from West Virginia, are dealing with this issue today.

There is little doubt that the House needs to clarify what is not occurring as a result of both the Congress and the administration's past directions. The

problem is a very real problem that faces the entire country and, indeed, the Hazardous Chemical Safety Board should not be in the midst of this, and I look forward to working with the gentlemen who are effectively concerned about the issue and appreciate the manner in which they are handling it today.

Mr. MILLER of California. Mr. Chairman, reclaiming my time, I appreciate the gentleman's consideration in allowing us to discuss this amendment, and I hope we can work with him in the future to make sure the full authority is restored to this board as well as its funding.

Mr. WAXMAN. Mr. Chairman, I ask you to support the Wise amendment to the VA–HUD–independent agencies appropriations bill. The amendment would reallocate to the Chemical Safety and Hazard Investigation Board the $3 million the Environmental Protection Agency has asked for to perform the functions of the Board.

Mr. Chairman, just last month:

One train worker was killed, two were injured, and hundreds of people shut themselves in their homes for hours after a train carrying hazardous chemicals rear-ended a coal train and burst into flames near Charleston, WV;

Five employees were sent to the hospital after a chemical spill at a silicon chip plant in San Jose;

Four workers were sent to the hospital after an unexplained escape of toxic chemical vapors from a tanker truck in Buffalo;

Two high school seniors and a science teacher were sent to the hospital after a bottle of hydrochloric acid toppled over during chemistry class in Orange County, CA;

Two workers were hospitalized for hydrogen cyanide exposure following a spill at a chemical plant near Memphis;

Two people were sent to the hospital after a chemical spill at a chemical waste management business near Dayton;

One employee was sent to the hospital after a chemical spill at a factory in Mesa, AZ;

Three hundred people were evacuated after a tanker truck carrying toluene crashed in Blacksville, WV;

Hundreds of residents were evacuated after a chlorine spill at a chemical plant in Watervliet, NY;

Two hundred people were evacuated and nearly two dozen sent to the hospital after a hydrochloric acid spill from a tanker in Industry, CA;

One hundred people were evacuated in south-central Los Angeles after the discovery of a toxic acid leak from a pressurized gas cylinder left in a residential alley;

Residents were evacuated and train traffic disrupted after a hydrochloric acid spill in Albany, NY; and

Rush hour traffic was snarled for hours after a tanker truck full of corrosive chemicals crashed south of Boston.

Every year thousands of chemical accidents are reported to the Federal Government, resulting in death, injury, evacuation, and disruption of the economy. That is why, in the reauthorization of the Clean Air Act in 1990, Congress established the Chemical Safety and Hazard Investigation Board. The Board was intended to be an independent body investigating the root causes of chemical accidents and recommending approaches of preventing them, operating much like the respected National Transportation Safety Board.

We need the Board today, just as badly as we needed it in 1990. I urge you to support the Wise amendment and full funding of the Chemical Safety and Hazard Investigation Board.

Mr. WISE. Mr. Chairman, in the hopes that just as the House has listened, the Office of Management and Budget has also been listening.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 184, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

The amendment offered by the gentleman from Wisconsin [Mr. OBEY], the amendment offered by the gentleman from Ohio [Mr. STOKES], and the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY:

On page 7, line 6, after ''$16,958,846,000,'' insert ''(increased by $48,000,000)''.

On page 57, line 7, after ''$321,646,000,'' insert ''(decreased by $60,000,000)''.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 322, noes 110, not voting 2, as follows:

[Roll No. 276]

AYES—322

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baesler
Baldacci
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Christensen
Clay
Clayton
Clement
Coble
Collins
Combest
Condit
Costello
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Granger
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Lazio
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKinney
McNulty
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Moran (VA)
Morella
Nadler
Neal
Ney
Northup
Norwood
Obey
Olver
Ortiz
Owens
Pallone
Pappas
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Thune
Thurman
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wise
Woolsey
Wynn
Yates
Young (FL)

NOES—110

Archer
Armey
Bachus
Baker
Ballenger
Barton
Bateman
Bilbray
Bliley
Boehner
Boswell
Brady
Bunning
Burr
Burton
Chenoweth
Clyburn
Coburn

Conyers
Cook
Cooksey
Cox
Crapo
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehrlich
Fawell
Foley
Fowler
Ganske
Gekas
Gilchrest
Goss
Graham
Gutknecht
Hansen
Harman
Hastert
Hastings (FL)
Hilliard
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Kingston
Knollenberg
Kolbe
Latham
LaTourette
Leach
Lewis (CA)
Livingston
Lucas
McCollum
McCrery
McIntosh
McKeon
Meek
Miller (FL)
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Nussle
Oberstar
Oxley
Packard
Parker
Paxon
Pickett
Pitts
Pombo
Radanovich
Riggs
Ros-Lehtinen
Ryun
Scarborough
Shadegg
Shaw
Shuster
Smith (OR)
Snowbarger
Souder
Spence
Spratt
Stearns
Stump
Tauzin
Taylor (NC)
Thomas
Thompson
Thornberry
Tiahrt
Wamp
Waters
Watkins
Weldon (FL)
Wexler
White
Wolf

NOT VOTING—2

Schiff
Young (AK)

☐ 1520

Messrs. WATKINS, SOUDER, and SPRATT changed their vote from ''aye'' to ''no.''

Messrs. DAVIS of Virginia, HALL of Texas, RUSH, PEASE, LOBIONDO, BRYANT, GIBBONS, TOWNS, SESSIONS, SMITH of Michigan, BEREUTER, CRAMER, GOODLATTE, DIXON, ENSIGN, GALLEGLY, FRANKS of New Jersey, DAVIS of Illinois, REDMOND, CASTLE, EHLERS, FRELINGHUYSEN, BERRY, QUINN, LAZIO of New York, PETERSON of Pennsylvania, CUNNINGHAM, LAHOOD, EWING, ROGAN, JEFFERSON, HERGER, YOUNG of Florida, HASTINGS of Washington, SOLOMON, SAXTON, CANNON, WATT of North Carolina, LEWIS of Kentucky, KASICH, OWENS, SALMON, METCALF, REGULA, HILL, GOODLING, CUMMINGS, SKEEN, CHABOT, LAMPSON, GREENWOOD, FOX of Pennsylvania, DEAL of Georgia, SENSENBRENNER, ADERHOLT, RILEY, LINDER, BASS, SHIMKUS, ENGLISH of Pennsylvania, WALSH, COLLINS, MICA, NORWOOD, Mrs. KELLY, Mrs. EMERSON, Mrs. CUBIN, Mrs. NORTHUP, Mrs. CLAYTON, Ms. JACKSON-LEE of Texas, Ms. KAPTUR, Ms. PRYCE of Ohio, Ms. MOLINARI, and Messrs. WELDON of Pennsylvania, HOEKSTRA, BARR of Georgia, CALLAHAN, HAYWORTH, EVERETT, PORTMAN, Ms. GRANGER, and Messrs. COMBEST, WYNN, SMITH of Texas, MCDADE, CHAMBLISS, CALVERT, KIM, BARRETT of Nebraska, MCINTYRE, BONILLA, BLUNT, WICKER, GILLMOR, BISHOP, THUNE, ROGERS, LARGENT, BONO, PICKERING, HILLEARY, HOBSON, CRANE, COBLE, WATTS of Oklahoma, Ms. MILLENDER-MCDONALD, Ms. BROWN of Florida, and Mr. RANGEL changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. STOKES

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Ohio [Mr. STOKES] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 244, noes 187, not voting 3, as follows:

[Roll No. 277]

AYES—244

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barr
Barrett (WI)
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boucher
Boyd
Brown (CA)
Brown (OH)
Bryant
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Collins
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hefley
Hefner
Hilliard
Hinchey
Hinojosa
Hoekstra
Holden
Hooley
Horn
Hoyer
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Klug
Kucinich
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Neumann
Norwood
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shays
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Whitfield
Wise
Woolsey
Wynn
Yates

NOES—187

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Boswell
Brady
Brown (FL)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Cannon
Chenoweth
Christensen
Coble
Coburn
Cook
Cooksey
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Goodling
Goss
Graham
Granger
Gutknecht
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Herger
Hill
Hilleary
Hobson
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Kim
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek
Metcalf
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Ros-Lehtinen
Ryun
Salmon
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wolf
Young (FL)

NOT VOTING—3

Schiff
Torres
Young (AK)

☐ 1529

Mrs. KELLY changed her vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SENSENBRENNER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER] on which further proceedings were postponed and on which the noes prevailed on voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 200, noes 227, not voting 7, as follows:

[Roll No. 278]

AYES—200

Ballenger
Barr
Barrett (WI)
Bartlett
Bass
Bereuter
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehlert
Borski
Brown (OH)
Bryant
Burton
Buyer
Camp
Campbell
Canady
Cannon
Carson
Chabot
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Costello
Cox
Coyne
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeFazio
Delahunt
Dellums
Diaz-Balart
Dingell
Doyle
Duncan
Ehlers
Emerson
English
Ensign
Eshoo
Evans
Ewing
Fattah
Fawell
Frank (MA)
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Gutierrez
Gutknecht
Hamilton
Hastert
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hoekstra
Holden
Hooley
Hostettler
Hunter
Hutchinson
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kind (WI)
Kingston
Kleczka
Klink
Klug
LaFalce
LaHood
Largent
Latham
Lazio
Leach
Levin
Linder
Lipinski
LoBiondo
Lowey
Lucas
Luther
Manzullo
Markey
Mascara
McCarthy (MO)
McInnis
McIntosh
McNulty
Meehan
Menendez
Miller (CA)
Miller (FL)
Minge
Moakley
Molinari
Moran (KS)
Morella
Nadler
Nethercutt
Neumann
Norwood
Nussle
Oberstar
Obey
Olver
Pallone
Pappas
Paul
Paxon
Pease
Pelosi
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Poshard
Quinn
Ramstad
Riggs
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanders
Sanford
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Shadegg
Shays
Shimkus
Shuster
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Souder
Spence
Stabenow
Stark
Stearns
Strickland
Stupak
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thune
Tierney
Traficant
Upton
Vento
Visclosky
Wamp
Watkins
Watts (OK)
Waxman
Weldon (PA)
Whitfield
Woolsey
Yates
Young (FL)

NOES—227

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barrett (NE)
Barton
Bateman
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Bunning
Burr
Callahan
Calvert
Capps
Cardin
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Conyers
Cooksey
Cramer
Cummings
Davis (FL)
Davis (IL)
DeGette
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehrlich
Engel
Etheridge
Everett
Farr
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gilchrest
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Hall (OH)
Hall (TX)
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hilliard
Hinchey
Hinojosa
Hobson
Horn
Houghton
Hoyer
Hulshof
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
King (NY)
Knollenberg
Kolbe
Kucinich
Lampson
Lantos
LaTourette
Lewis (CA)
Lewis (GA)
Lewis (KY)
Livingston
Lofgren
Maloney (CT)
Maloney (NY)
Manton
Martinez
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McIntyre
McKeon
McKinney
Meek
Metcalf
Mica
Millender-McDonald
Mink
Mollohan
Moran (VA)
Murtha
Myrick
Neal
Ney
Northup
Ortiz
Owens
Oxley
Packard
Parker
Pascrell
Pastor
Payne
Peterson (MN)
Pickett
Price (NC)
Pryce (OH)
Radanovich
Rahall
Redmond
Regula
Reyes
Riley
Rodriguez
Rogan
Rogers
Rothman
Roybal-Allard
Rush
Ryun
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Scott
Sessions
Shaw
Sherman
Sisisky
Skaggs
Skeen
Smith (OR)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Stenholm
Stokes
Stump
Tanner
Tauscher
Taylor (MS)
Thompson
Thornberry
Thurman
Tiahrt
Towns
Turner
Velazquez
Walsh
Waters
Watt (NC)
Weldon (FL)
Weller
Wexler
Weygand
White
Wicker
Wise
Wolf
Wynn

NOT VOTING—7

Gonzalez
Portman
Rangel
Schiff
Spratt
Torres
Young (AK)

☐ 1538

Mr. FORBES changed his vote from ''aye'' to ''no.''

Mr. SKELTON and Mr. PALLONE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Chairman, because I was unavoidably detained, I was not in attendance for rollcall vote No. 278.

Had I been in attendance, I would have voted ''aye''.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

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.

Ms. DEGETTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, I would like to thank the chairman, the gentleman from California [Mr. LEWIS] and the ranking member of the subcommittee, the gentleman from Ohio [Mr. STOKES] for the work they have done on this bill. As the distinguished chairman from California knows, I was inclined to offer an amendment to title II

of this bill to increase the community development block grant by $25 million for the redevelopment of polluted urban brownfield sites. I understand that the chairman supports brownfields redevelopment, but has some concerns about dealing with this particular initiative which has not been authorized in this bill. I can appreciate that. By agreement, we have decided not to offer the amendment today.

I would like to speak for a few minutes, however, about the need to undertake brownfields development.

□ 1545

I was disappointed to learn that this legislation today does not include the $25 million request from the administration to the Department of Housing and Urban Development for grants for redevelopment of brownfields. As Members know, title I of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary of HUD to make grants to units of local government and States for local community development programs. The primary objective of the block grant program is to develop viable urban communities and to expand economic opportunities, principally for low and moderate income persons.

Mr. Chairman, that gets to the heart of what I, along with my colleague, the gentleman from New Jersey [Mr. PALLONE], today am trying to do here. The money we are talking about in this amendment would go toward the block grant program to develop these viable urban communities and expand economic opportunities.

I can say that spending a lot of time in my own community, I know how vital redevelopment of brownfields can be in urban areas and how exciting it can be when these areas are redeveloped. As it is, brownfields are a blight on our urban and rural landscape. They are oftentimes abandoned industrial or commercial sites which remained undeveloped due to the uncertainty which surrounds them. There is an estimate that there are approximately 450,000 brownfield sites around the country, many of them in urban areas but also some in suburban and rural areas.

I have been encouraged by the administration's brownfields request for the EPA brownfields initiative and that it has been appropriated $85 million. However, this money is to be used only for assessment activities, not for cleanup actions and redevelopment.

I have personal experience with brownfields because I sponsored successful legislation in Colorado in 1993 which has now been used for over 60 brownfield sites in the State of Colorado, not simply assessment but to actually clean up those sites.

If we are truly to clean up our urban communities, if we are truly to develop urban areas, then we need to look at all possible areas in the Government, not just the EPA but also HUD, to really appropriate money.

So that is why I am pleased that the chairman and the ranking member have both agreed to work with us to find as much money as we can to put towards this brownfields redevelopment, and I do want to thank the Chair for recognizing me today.

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

Mr. Chairman, I just wanted to join with my colleague from Colorado in her effort. I understand, as she said, that this amendment on brownfields redevelopment will not be offered, but we did want to make a statement about why we think that the substance of that amendment is significant. Basically what the gentlewoman says is that this $25 million in additional funds would provide incentives to actually redevelop the brownfield sites.

I want to also mention that I am pleased with what the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] did to include $85 million in the bill for the brownfields assessment program. That is, of course, the assessment program. We, however, would like to see some additional money available, as was mentioned by the gentlewoman, for actual incentives to redevelop the sites.

I wanted to mention, Mr. Chairman, that in June there were 85 House Members on a bipartisan basis who sent a letter to the chairman and the ranking member in support of the President's request for a significant increase in the EPA's brownfields assessment program, and I wanted to thank the gentlewoman from Colorado [Ms. DEGETTE], the gentlewoman from New York [Mrs. MALONEY] and the gentleman from Connecticut [Mr. SHAYS] for joining me in initiating that letter of support; also the gentleman from Michigan [Mr. DINGELL], the ranking member, who has been a constant leader on the issue. We have a copy of this letter and a list of Members who signed it. I will include that letter for the RECORD.

Let me point out again, Mr. Chairman, that the reason this is important is because brownfields redevelopment has been and continues to be a priority for many Members regardless of party affiliation. We are very much united in this effort to guarantee that our children have access to open space and economic opportunity by providing incentives for the cleanup and redevelopment of brownfields rather than the development of pristine open space or the so-called greenfields.

The Clinton administration has been very helpful in assisting States and local governments in promoting the redevelopment of these brownfields initiatives. That is why I think it is very important to continue with this. I just want to say I really believe very strongly that this is something that could be addressed in conference.

I am obviously concerned that in the bill the subcommittee was not able to provide the money requested for this economic development grant program. I understand that there is language that was included that basically restricts the use of the money provided under the EPA's program. What I would hope is that when we get to conference, that my colleagues on the committee would reconsider this limitation so that money is either added, or at least the restrictive language is taken away so that some of this money can actually be used for cleanup and restoration.

Otherwise, I do want to thank the members of the subcommittee for their work, and again join with my colleague from Colorado in making this point.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

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 his domicile and his 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 of 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 twenty-four 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 1998 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 1998 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 1998 and prior fiscal years may be used for implementing comprehensive conservation and management plans.

POINT OF ORDER

Mr. SHUSTER. Mr. Chairman, I rise to a point of order against section 420.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SHUSTER. Mr. Chairman, this section violates clause 2 of rule XXI which prohibits legislation on an appropriations bill. The section would override section 320(g) of the Federal Water Pollution Control Act by authorizing the use of funds for implementation of comprehensive conservation and management plans.

Current law does not authorize the use of funds for implementation of plans but only for the development of plans. Therefore, the section is legislative in nature, in violation of rule XXI, clause 2.

I would also point out, Mr. Chairman, that the Committee on Transportation and Infrastructure will be considering the issue of authorizing and improving the national estuary program during this Congress. We are very much aware of the need to implement plans to protect America's estuaries.

The CHAIRMAN. Are there other Members wishing to be heard on the point of order?

The Chair is prepared to rule. Section 420 of the bill explicitly, albeit indirectly, amends the Water Pollution Control Act. As such it constitutes legislation in violation of clause 2(b) of rule XXI. The point of order is sustained. Section 420 is stricken from the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 421. Such funds as may be necessary to carry out the orderly termination of the Office of Consumer Affairs shall be made available from funds appropriated to the Department of Health and Human Services for fiscal year 1998.

AMENDMENT NO. 4 OFFERED BY MR. BENTSEN

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

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. BENTSEN:

Page 76, and after line 17, insert:

SEC. 422. None of the funds made available in this Act may be used to implement clauses (ii) through (v) of section 761.93(a)(1) of title 40 of the Code of Federal Regulations (relating to the import of PCB's and PCB items at concentrations of 50 ppm or greater for disposal), or to authorize any person to import into the United States (Pursuant to an exemption under Section 2605(e)(3)(B) of title 15 of the United States Code or otherwise) any PCB's or PCB items at concentrations of 50 ppm or greater for purposes of disposal or treatment.

Mr. BENTSEN. Mr. Chairman, given the fact that we passed over a number of amendments, I apologize for seeming anxious.

Mr. Chairman, I rise today to offer an amendment on behalf of myself and the gentlewoman from Michigan [Ms. RIVERS] to prohibit the Environmental Protection Agency from using any funds under this act to allow the importation of polychlorinated biphenyls, PCB's, to be disposed of, including incinerated, in the United States.

Mr. Chairman, the EPA issued a final rule on March 18, 1996 to allow the importation of large quantities of PCB waste, reversing an EPA ban that had been in place since 1980. Later that same month, the Sierra Club Legal Defense Fund initiated a legal challenge to the EPA decision allowing for the importation of PCB's based on the opinion that it violated the Toxic Substances Control Act of 1976.

Additionally, during consideration of H.R. 3666, the fiscal year 1997 VA–HUD appropriations bill, the House adopted a similar amendment I offered which was later dropped in conference with the other body. On July 8 of this year, the 9th Circuit U.S. Court of Appeals ruled, in a unanimous decision, that EPA had violated the Toxic Substances Control Act of 1976. Chief Judge Proctor Hug wrote:

> EPA lacked the statutory authority to promulgate the import rule, which violates the PCB manufacture ban contained in the Toxic Substances Control Act.

EPA, in the execution of the import for disposal rule, waived the yearly requirement to obtain an exemption from the administrator. This rule allowed the continual import of PCB waste in direct contradiction of the Toxic Substances Control Act of 1976. The court ruled that EPA's 1996 rule providing for the continuing importing indefinitely without interruption violates congressional intent with respect to the loan exemption under TSCA which would only allow such imports if the EPA administrator determines an unreasonable risk to injury or health or environment would not result because such exemption may not last longer than 1 year.

Mr. Chairman, EPA has failed to offer any scientific data or analysis to justify reversal of this ban. Their longstanding position has always been that PCB imports pose an unreasonable risk to health and safety.

On December 6, 1994, EPA emphasized that, and I quote:

> the import of PCB's into the United States and the distribution of commerce of PCBs present an unreasonable risk of injury to human health and the environment.

Yet a year and a half later the EPA reversed itself with no new studies, no new research, no new reports that PCB's are anything less than a substance risk to human health and the environment. It is difficult to understand why EPA would change its position without any new scientific evidence.

We know from scientific research that PCB's accumulate in the environment and move toward the top of the food chain, contaminating fish, birds and ultimately humans. When incinerated, PCB's release dioxin, one of most toxic chemicals known to man. As a result, PCB's are the only chemical that Congress has identified for phaseout under TSCA.

Since 1979, PCB's have not been manufactured in the United States. With this ban in place, the amount of PCB's in the United States have steadily decreased but the range of health and environment effects has not. Incinerators in Kansas, Utah, Pennsylvania, and two sites in southeast Texas burn more than 800,000 tons of domestic PCB waste each year.

This rule might be necessary if Canada and Mexico, two countries expected to send us most of their PCB's, did not have facilities located within their boarders to dispose of PCB waste. Both countries do have such facilities designated to handle PCB waste. Mexico even exports some PCB waste to Europe for disposal.

Furthermore, EPA makes contradictory statements with regard to the issue. In a 1991 internal memorandum regarding this issue of PCB's and NAFTA negotiations, Elizabeth F. Bryan, then deputy director for exposure, wrote:

It is likely that Mexico would be discouraged from development adequate disposal facilities for their own PCB waste, if the United States accepts their waste.

This memo further states:

Congress clearly intended to ban PCB's in the United States. That intent should not be diluted through considerations of free trade.

Yesterday the EPA put out an analysis of my amendment in which they state:

EPA closed its borders to PCB waste in 1980 to encourage the development of disposal industries in Canada and give the United States time to phase out much of our use of PCB's.

□ 1600

These goals have been accomplished.

I would also like to add that the Canadian disposal industry opposed EPA's rule and presented compelling evidence that Canada is fully capable of handling their own PCB waste. EPA agreed with that view as late as December 1994 when they said, ''EPA does not want to encourage the expansion of PCB's where there are feasible alternatives already in place.''

In closing, Mr. Chairman, I ask that my colleagues accept this amendment. The last thing we need to do is be accepting dangerous PCB's as a form of business in the United States.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word and to essentially express some slight reservation, because this item is in the courts. The ninth circuit is currently in the process of considering an appeal.

On the other hand, the House did adopt this matter on a voice vote last year. I frankly think the committee would not have any reservation about this going forward and we would be willing, after some more discussion takes place, to accept it if my ranking member would do the same.

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

Mr. Chairman, I just rise to agree with the chairman of the subcommittee that this is a matter that was accepted last year, and if the chairman is inclined to accept the matter at this time, then there is no objection on this side.

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

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

Mr. LEWIS of California. Mr. Chairman, with the agreement of the gentleman from Ohio, we would accept the amendment. I would suggest to Members who are anxious about this, while I welcome their comments, others, if they want to, can revise and extend their remarks.

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

Mr. Chairman, I rise in support of the proposal currently on the floor. I joined with the gentleman from Texas [Mr. BENTSEN] last year to offer this, as well as having offered it in the free-standing bill.

Mr. Chairman, I am concerned about simply accepting it this year. As people may recall, last year we did that but it was stripped from the bill in conference and never made it into law. While there is a recent decision in the courts regarding this matter, it still is in appeal and prudence does recommend legislative action by this body.

Why should we be concerned about this? For several reasons. PCB's are substances that, as a group, are extremely toxic and long-lived, they are proven cancer causers, and they disrupt hormone systems and cause reproductive and endocrine damage in human beings. These are not your garden variety carcinogens.

In fact, PCB's are the only substance ever specifically banned by an act of Congress in this Toxic Substance Control Act of 1976. Yet in 1996, the EPA decided to allow the importation of these chemicals. At that time many of us argued that the decision had more to do with keeping waste disposal facilities in the United States profitable than in keeping the public safe.

Unfortunately, that view turned out to be prophetic. In an AP story published July 8, the EPA is quoted as arguing that the import ban was no longer needed because the U.S. waste disposal industry had enough incinerator capacity to handle foreign PCB waste. The industry, which was running out of domestically produced PCB's to destroy, and I want to repeat that, the industry, which was running out of domestically produced PCB's to destroy, could make up to $100 million a year from incinerating imported PCB's, the EPA said.

The EPA also said at that time that some surveys had estimated more than 173,000 tons of PCB-tainted material existed in Canada and another 60,000 tons in Mexico.

Mr. Chairman, this body cannot tolerate a calculus that values the fiscal health of the toxic waste industry over the physical health of our citizens. For these reasons I would urge my colleagues to vote for this provision, and I would urge the chairman to allow a vote, and I would urge conferees not to strip the provision from the final bill at the end of their conference. This is a serious issue that deserves our attention and our action.

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

[Mr. GREEN asked and was given permission to revise and extend his remarks.)

Mr. GREEN. Mr. Chairman, I want to thank the gentleman from California [Mr. LEWIS] for accepting this amendment.

Mr. Chairman, I rise in support of the Bentsen amendment, and I commend my colleague from Houston for his leadership on this important issue.

On March 15, 1996, the EPA issued a final rule to amend the Federal PCB regulations and allow the import of PCB waste for disposal in permitted facilities in the United States.

This rule allows the importation of foreign PCB waste for disposal in the United States.

The EPA has estimated that the U.S. disposal industry would receive $50 to $100 million annually if PCB's are imported into the United States from Canada and Mexico.

And where would PCB's be disposed? In Kansas, Utah, Pennsylvania, Port Arthur, TX, and Channelview, TX.

Mr. BENTSEN's amendment would prohibit the EPA from using any funds to implement its final rule.

PCB's when incinerated release dioxin—one of the most toxic chemicals known.

Dixon, as we all know, causes a wide range of adverse health effects and it accumulates in the environment.

The incineration of PCB's is recognized as a health hazard.

That's why the Congress designed a phase out of domestic PCB manufacture in the Toxic Substance Control Act of 1976.

Last week, the ninth circuit court overturned EPA's rule to allow the importation of PCB's. The Bentsen amendment will ensure the continual prohibition of imported PCB's even if EPA exercises its option to appeal this ruling to the U.S. Supreme Court.

I urge my colleagues to support this important amendment.

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

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

Mr. JACKSON of Illinois. I yield to the gentleman from Texas.

Mr. BENTSEN. Mr. Chairman, I appreciate the gentleman's yielding.

In closing on this amendment, and I know there are other amendments Members want to get to and to finish this bill, this is not a question of international trade. I am a free trader, but this is not a good or a service that I believe we ought to be importing. This is a dangerous chemical. It is dangerous waste.

We are taking care of our own PCB's in this country. We do not need to take care of PCB waste from other countries

which, ironically, will not take exports of PCB's from the United States.

The fact is that this is not a debate about the domestic incineration of PCB's. That is another matter. We take care of our own, but we should not take care of others.

The fact is that the EPA clearly intends to appeal this rule. They would not be opposed to this amendment otherwise. So I would encourage my colleagues to support this amendment and I would encourage the managers of the bill to defend this amendment with the Senate. I realize it is not the courts, but this is something that clearly is not in line with Congressional intent from the TOSCA Act.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BENTSEN].

The amendment was agreed to.

AMENDMENT NO. 22 OFFERED BY MR. SOLOMON

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. SOLOMON:

Page 76, after line 17, insert the following new section:

SEC. 422. None of the funds made available in this act may be provided by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education, or subelement thereof, that is currently ineligible for contracts and grants pursuant to section 514 of the Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997 (as contained in section 101(e) of division A of Public Law 104–208; 110 Stat. 3009–270).

Mr. SOLOMON. Mr. Chairman, the amendment that I am offering with the gentleman from California [Mr. POMBO] should be familiar to most Members, as it has passed this House several times with bipartisan support, and is now permanent law for defense funds and funds covered by the Labor/HHS appropriations bill.

This amendment would simply prevent any funds appropriated in this act from going to institutions of higher learning which prevent military recruiting on their campus, or have an anti-ROTC policy.

The amendment would not affect direct student aid funds such as Federal Direct Loans and Pell grants, nor would it affect institutions with longstanding, religiously based pacifist traditions.

Mr. Chairman, institutions that are receiving Federal taxpayer money should not be able to then turn their back on the young people who defend this country.

This is especially important in today's environment, when, as we know, military recruiters are already having trouble filling their quotas with able applicants due to 13 straight years of defense budget cuts.

It is more important than ever that we not allow campus administrators with ideological agendas to prevent recruiters from explaining the benefits of an honorable career in our Armed Forces to our young people.

It is really a matter of simple fairness, and that is why this amendment has always received such strong bipartisan support.

I would also like to note that, since the gentleman from California [Mr. POMBO] and I started this process a few years back, we have seen a great deal of progress on college campuses. Many schools have publicly announced a shift in their antimilitary policies and many more have quietly followed suit.

The legislation is working, and we can all be proud of that.

However, it is necessary to round out the process by attaching the amendment to just a couple of more appropriations bills, including this one today, and writing it into permanent law.

Then I believe we will have a powerful deterrent in place which will give our fine military recruiters the tools and confidence they need to carry out their constitutional functions to the best of their abilities.

I urge a ''yes'' vote on the amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to the Solomon amendment to H.R. 2158 to prohibit the use of funds in the VA–HUD appropriations bill, by any Department or Agency, for grants or contracts to universities and colleges that do not give ROTC and military recruiters access to the general student population.

This amendment levies a grossly unfair and extreme bias against religious institutions that do not allow secular military or ROTC recruiting to occur on their campuses. Individual students and institutions will be penalized simply because they choose to attend a religious institution.

Not only is this fundamentally unfair to the institutions and students but this is also an unfair mixing of church and State.

I strongly urge my colleagues to vote ''no'' on this unfair amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VENTO

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

The Clerk read as follows:

Amendment offered by Mr. VENTO:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 422. The amounts otherwise provided by this Act are revised by increasing the amount made available for ''INDEPENDENT AGENCIES—FEDERAL EMERGENCY MANAGEMENT AGENCY—EMERGENCY FOOD AND SHELTER PROGRAM'', and reducing the amount made available for ''INDEPENDENT AGENCIES—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—HUMAN SPACE FLIGHT'', by $30,100,000 and $43,000,000, respectively.

Mr. VENTO (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 Minnesota?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from California reserves a point of order.

Mr. VENTO. Mr. Chairman, this is an amendment that I had printed in the RECORD yesterday, and which was in order in title III. I would suggest that, if there are unanimous consents that are going to occur and that are reasonable, that they should be recognized.

My concern is that this amendment previously has been ruled out of order because I came and we were on page 61, and now we, of course, are at the end of the bill and it should be in order now.

This deals with the Emergency Food and Shelter Program and the public/private partnership. It is a public/private partnership that works. Since the program began in 1983, $1.6 billion has been appropriated to the FEMA Emergency Food and Shelter Program. What I am proposing here is to raise the funding to $130 million from $100 million that is in the bill.

Why this reduction was instituted or persists is not at all clear and certainly was not justified with a program that works. Funds under this extremely well run program reach communities within 45 days from the date of release from FEMA. It is not an emergency management regular program. In fact, this program works and there is no scandals, there are no adverse GAO reports, no adverse Inspector General flack, no bad reports of this program.

It is a program unique because it helps not with disasters from Mother Nature but with personal emergencies of people who have become very often homeless. An increased number of social and economic casualties, of course, are occurring today.

The program combines rapid national distribution with the expertise of local nonprofit charitable organizations in delivering services where they are most needed and builds upon the solid foundation of assistance that historically has been provided by the State and local charities and nonprofits.

The Federal Government has not taken over the program and the challenge, rather the Emergency Food and Shelter, the FEMA program, has become a partnership building upon that which exists and works. The administrative costs of this program are very low, about 3.5 percent locally and nationally.

There is no doubt that such success is owed to the partnership form with the unique national board made up of the American Red Cross, the Catholic Charities, the Council of Jewish Federations, the National Council of Churches of Christ in the United States, the Salvation Army, the United Way, and FEMA. We should be celebrating and rewarding the success of the collaboration, not shortchanging it.

Mr. Chairman, some have suggested compassion fatigue exists in America

because problems are not alleviated. It is important to note that the Emergency Food and Shelter and HUD homeless programs, modest programs in size, have helped hundreds of thousands of families and individuals, but our economics and society throughout the 1980's and 1990's continues to sustain new homelessness.

It is a dynamic population and, as a Congress working with local and State, especially with the private nonprofits, we should stay involved with solid financial commitments, Mr. Chairman. The Federal dollars in the Emergency Food and Shelter Program, the FEMA Program, and the HUD homeless programs leverage private funding.

The nonprofits, who historically dealt with a demographically different population and social problems, today are operating on overload. They cannot respond to the problems and needs in the same way that they did yesterday because of the gravity and the severity of those problems. Specifically, reviewing the fiscal year 1996, the national board, the specific program that I am talking about here, accomplished a great deal with the dollars they have available.

Mr. Chairman, I would point out that we are cutting money in this amendment by reducing the NASA Human Space Flight Program by $43 million in order to provide the $30 million for this program. Because it does spend out quicker, there is a difference. This program serves to alleviate the plight of the homeless right down here on terra firma, that is on the ground of Mother Earth.

As Members should be aware, the NASA budget is in excess of the administration's request, this particular portion, by $100 million. There has not been a NASA, an OMB or administration request or justification for this funding. We do not have to be rocket scientists to understand the demand and the positive needs that we need in terms of the increase to provide emergency food and shelter.

As I said, the program is working. Unfortunately, many in our society continue to experience homelessness and I would urge Members to support this sound amendment.

Mr. Chairman, I have an amendment at the desk, amendment No. 26 which has been ruled out of order because it starts at page 57 and amends page 61 and we were upon page 61. I'm very disappointed that the consideration was not provided even though we were in the same title III and had moved so quickly to this point in the bill, therefore I'm offering it at the end of the bill as a new section 422.

The Emergency Food and Shelter [EFS] Program is a public/private partnership that works. Since the program began in 1983, $1.6 billion has been appropriated to the FEMA EFS Program. In 1995, prior to the devastating rescissions bill, the funding for this program annually was $130 million. Since the rescissions bill, the funding has been level at a less than adequate $100 million. Why this reduction was instituted or persists isn't at all clear and certainly not justified.

Funds under this extremely well run program reach communities within 45 days from date of release of funds by FEMA. This is a program that works with no scandals—no adverse GAO reports, no IG flack. The program is unique because it helps not with the disasters of mother nature, but the personal emergencies of people who have become homeless—an increasing number of social and economic casualties today. The program combines rapid national distribution with the expertise of local nonprofit charitable organizations in delivering services where they are needed most and builds upon the solid foundation of assistance that historically has been provided by the State/local charities and nonprofits. The Federal Government hasn't taken over the problem and the challenge, rather EFS/FEMA has become a partner, building upon that which exists and works.

The administrative costs are a mere 3.5 percent, locally and nationally. There is no doubt that such success is owed to the partnership formed with the unique National Board, made up of major charity organizations: the American Red Cross, Catholic Charities, Council of Jewish Federations, National Council of Churches of Christ in the USA, the Salvation Army, the United Way, and the Federal Emergency Management Agency. We should be celebrating and rewarding the success of this collaboration not short-changing it. Mr. Chairman, some have suggested compassion fatigue exists in America, because problems aren't alleviated—it is important to note that the EFS/HUD homeless programs, modest in size, have helped thousands of families and individuals. But our economy and society throughout the 1980's and 1990's continues to sustain new homelessness. It is a dynamic population and as a Congress working with State, local, and especially the private nonprofits, we should stay involved with solid financial commitments.

The Federal dollars in EFS/FEMA and HUD homelessness programs leverage private funding. The nonprofits who historically dealt with a demographically different population and social problems, today are operating on overload. They need and merit our good faith effort.

Specifically reviewing EFS/FEMA in fiscal year 1996, the National Board accomplished the following with an appropriation of $100 million: provided over 82.6 million meals at an average meal cost of 47 cents; provided more than 3.8 million nights of shelter at an average cost of $5.93 per night; paid over 177,000 utility bills allowing families to remain in their homes; directly funded more 10,300 charitable organizations and governmental agencies in over 2,400 jurisdictions in all 50 States, the District of Columbia, Puerto Rico, and the U.S. territories.

My amendment would restore the funding level to $130 million. This could help serve tens of millions more meals, a million or so more nights of shelter, and help with hundreds of thousands more utility bills across this country. My amendment would accomplish these worthy goals by reducing NASA's Human Space Flight Program by $43 million—providing $30 million to this specific FEMA program that serve to alleviate the plight of homeless on terra firma, on the ground of mother Earth.

As Members should be aware, the NASA budget is in excess of the administration request by $100 million. There has been no NASA, OMB, or administration request or justification for this funding and you don't have to be a rocket scientist to understand the demand and positive use that this increase would do for the Emergency Food and Shelter Program of FEMA.

I urge Members to support this amendment that will be so beneficial for all Americans.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California [Mr. LEWIS] insist on his point of order?

Mr. LEWIS of California. Mr. Chairman, I do, and let me say that I agree with much that has been said about this program. We have provided $100 million in the budget request because of that.

I raised a point of order against the amendment because, first, the amendment takes away from an unauthorized program and gives money to an unauthorized program. Well, Mr. Chairman, let me give just a bit of detail:

□ 1615

The amendment proposes to increase an appropriation not authorized by law, and therefore is in violation of clause 2(a) of rule XXI. Although the original account, funding for the Emergency Food and Shelter Program, where the funding would go, is unauthorized, it was permitted to remain pursuant to the provisions of the rule that provided for the consideration of this bill. When an unauthorized appropriation is permitted to remain in a general appropriations bill, an amendment merely changing that amount is in order, but the rules of the House apply as a merely perfecting standard to the items permitted to remain and do not allow the insertion of a new paragraph, not part of the original text permitted to remain, to change indirectly a figure permitted to remain.

The CHAIRMAN. Does the gentleman from Minnesota [Mr. VENTO] wish to be heard on the point of order?

Mr. VENTO. Mr. Chairman, the fact is both provisions are in the bill. They are protected by the rule. As the gentleman has pointed out, both of these are. I have not received authorization, but the rule does address that particular factor, and it seems to me that it would follow that the modification of funds between them at this particular point, a technical point at best, that the spirit of the rule would suggest that it is in order.

I might further add, Mr. Chairman, that in terms of the procedures of the House, the rolling of votes and the activities that have taken place today, the avoidance and leaving behind of amendments I think is highly inappropriate and improper. I was here and offered this amendment in the proper title, but simply being a few pages beyond. I was not afforded the comity and the consideration of being able to offer this amendment today. I think it is highly unusual and inappropriate.

I ask the Chair to rule on the amendment.

The CHAIRMAN. The Chair is ready to rule if no other Members wish to be heard on the point of order.

The gentleman from California [Mr. LEWIS] makes a point of order that the amendment offered by the gentleman from Minnesota [Mr. VENTO] violates clause 2(a) of rule XXI by providing an unauthorized appropriation.

The amendment proposes to insert a new paragraph on page 76 that would indirectly increase an amount provided on page 57, which has been passed in the reading.

The increase proposed by the amendment is not authorized by law. The Chair notes that the amount already carried in the bill for that object is, likewise, unauthorized. However, that unauthorized amount in the bill was permitted to remain by House Resolution 184.

Where an unauthorized appropriation is permitted to remain in a general appropriation bill, an amendment directly changing that amount in that paragraph, and not adding legislative language or earmarking separate funds for another unauthorized purpose, is in order as merely perfecting. But an amendment adding a further unauthorized amount is not in order.

As indicated in the ruling on July 12, 1995, shown on page 142 of House Practices, even though it may be permissible by amendment to directly change an unauthorized item in a paragraph permitted to remain by a waiver of points of order, it is not in order to indirectly increase that amount by insertion of a new paragraph not textually protected by the waiver. The precedents that admit a germane perfecting amendment to an unauthorized item permitted to remain, for example, Deschler's volume 8, chapter 26, section 3.38, deal with actual changes in a figure permitted to remain. They apply a merely perfecting standard in the strictest sense of that phrase. None involve the insertion of a new paragraph, not part of the text permitted to remain, to increase indirectly a figure permitted to remain.

The amendment offered by the gentleman from Minnesota [Mr. VENTO] cannot be construed as merely perfecting under the precedents. Accordingly, the Chair sustains the point of order.

AMENDMENT OFFERED BY MR. FOLEY

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

The Clerk read as follows:

Amendment offered by Mr. FOLEY:

After the last section of the bill (preceding the short title), insert the following new section:

SEC. 422. The aggregate amount otherwise provided in this Act for ''INDEPENDENT AGENCIES—DEPARTMENT OF THE TREASURY—COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS—COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT'' is hereby reduced by $75,000,000.

Ms. WATERS (during the reading). Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentlewoman reserves a point of order.

The CHAIRMAN. Without objection, the amendment is considered as read, and the gentleman from Florida [Mr. FOLEY] is recognized for 5 minutes in support of his amendment.

There was no objection.

Mr. FOLEY. Mr. Chairman, one only need to pick up the morning newspapers to support the amendment to freeze funding for the Community Development Financial Institutions funded at current levels, not a cut, maintaining funding at 1997 levels.

Today's Wall Street Journal: ''Treasury Aides Trumped Up Papers To Defend Awards As Probe Drew Near.''

''A Treasury investigation as to whether agency officials created misleading documents to deal with a congressional probe found that they did, and just in the nick of time, too.''

The assistance went to community development lenders with ties to South Shore Bank, also known as Shorebank, a Chicago-based institution with long ties to the Clintons. A recipient of $2 million in assistance was Southern Development, Inc., an Arkansas firm that Hillary Rodham Clinton set up with help from Shorebank founders.''

In the Arkansas Democrat Gazette: ''Among the banks Bachus named as being part of a suspected 'old boys' network' of community lending institutions with ties to President Clinton and his wife is Arkadelphia-based Southern Development Bancorporation, Inc. It received a $2 million award from the Community Development Financial Institutions Fund last year. Mrs. Clinton, then a partner in Little Rock's Rose Law Firm, and presidential counselor Thomas F. 'Mack' McLarty, a former executive of Arkla, Inc., were charter members of the holding company that founded Southern Development in August 1986.''

In the Rocky Mountain News: The chairman suggests, Mr. Bachus, that nearly a third of the money designated in the Community Development Financial Institutions fund went to interlocked institutions that all have well-documented links to Hillary Clinton.

''Government Investigates CDFI Program,'' in the National Mortgage News Journal, details the same story. Reuters this morning: ''Treasury Admits Misdoings At U.S. Small Business Fund.''

May doubt the articles? Read this: ''A top administrator at a small business program touted by President Clinton wrote spurious memos to justify loans that had already been made, Treasury Department officials confirmed Tuesday.''

Now my colleagues, what we are asking you to do is freeze funding until we can investigate the facts of this case. The Treasury Department may be making improvements now as a result of the oversight inquiry, but the department has not shown it knows how to run a grant program.

In this era of government belt tightening, where even programs that are models of efficient administration face significant cuts in funding, it makes absolutely no sense, no sense, to increase by more than twofold the amount the taxpayers will allocate to this program.

Only in Washington would we be sitting here debating a 150 percent increase in funding for a program that is judged, by any objective standard, a monument to bureaucratic bungling and administrative inefficiency. In the real world, heads would be rolling, customers would be demanding refunds, and the budget ax would be swinging. In Washington we appropriate more taxpayers' money for this program.

This perverse incentive structure needs to be dismantled, and a message needs to go out to our Federal bureaucracy that we will no longer reward mismanagement abuse with ever-increasing levels of funding.

By the CDFI's own admission, at least $11 million in taxpayer funds were awarded in its last round of funding without anybody bothering to memorialize in a written document any of the factors upon which the agency based its recommendation. Not a word. Then when the gentleman from Alabama [Mr. BACHUS], the chairman, approaches the committee and asks for reports, at midnight they work on the documents. My colleagues will hear more about that later.

Any claims that the Treasury Department may make regarding real world success for the CDFI program are purely speculative at this time. The fund originated July 1996. As of March of this year they had only distributed $4 million the $37 million that was awarded in the first round. Now at this point I understand we have up to one half that has been sent out.

The Treasury wants Congress to raise funding 150 percent on this untested program with serious administrative problems. The Foley-Bachus amendment will not zero out CDFI funds, I want to reemphasize. It simply maintains fiscal 1997 funding levels pending further review of the program.

Now it bears emphasizing that this amendment, again, does not zero it out. But I would call the attention of my colleagues, the Senate is never known for cutting many programs. The Senate VA–HUD approps zeroed out the CDFI fund yesterday. The Senate zeroed it out. Now we are asking for a freeze.

Now clearly, some people may doubt these articles in our major newspapers. But as the chairman will tell my colleagues in the next few minutes, this investigation has unearthed some rather disturbing things. There is no distancing from these companies the relationship that had existed in the late 1980's. So clearly, if we are going to ask the American taxpayers to foot the bill for this program or any other, we should make certain that there are certain standards.

POINT OF ORDER

The CHAIRMAN. Does the gentlewoman insist on her point of order?

Ms. WATERS. Yes, Mr. Chairman, I do.

The CHAIRMAN. The gentlewoman will state the point of order.

Ms. WATERS. Mr. Chairman, if the gentleman from Minnesota [Mr. VENTO], and perhaps even others had been here, their amendments would have been protected against a point of order. However, they were not here at the time, and therefore they have not been allowed to take up their amendments.

I think that that amendment falls in the same category. However, I am aware that there may have been some attempts to recraft the amendment to comply with being able to take it up in the general provisions. If so, if that is the case, how then was it recrafted to comply? And if it has not been, the point of order I think should prevail.

The CHAIRMAN. If there is no other argument on the point of order, the Chair is prepared to rule.

The amendment simply reduces an amount otherwise provided by the bill. That the amendment does so indirectly does not matter. An amendment inserting new language simply and only to reduce the amount of an appropriation provided earlier in the bill is permissible, as not adding a further unauthorized amount.

The point of order is overruled.

Ms. PELOSI. Mr. Chairman, I move to strike the last word.

I rise today in opposition to the Bachus amendment to the fiscal year 1998 VA-HUD appropriations bill and in support of the provision in this bill to provide $125 million for the Community Development Financial Institutions program.

The Community Development Financial Institutions program provides an important source of funding to low-income and low-wealth communities across the Nation. The CDFI program is the very type of program that this Congress, with its attitude about Federal spending, should support.

Rather than providing conventional government assistance to poor communities, the CDFI fund focuses on efforts to use government resources to leverage private sector funds, with the goal of achieving community self-sufficiency. The CDFI fund invests in a diverse array of institutions, including banks, credit unions, nonprofit loan funds, venture funds, and others, with varying asset size. The fund is designed to promote community development in the broad range of communities which make up our Nation.

The gentleman from Florida [Mr. FOLEY] spent a good deal of his time making some allegations about the politicization of this election process for grantees. These allegations have been carefully investigated and refuted by the Treasury Department. And in that light, I commend the gentleman from California [Mr. LEWIS], the chairman, and the gentleman from Ohio [Mr. STOKES], the distinguished ranking member, and the gentleman from California [Mr. LEWIS] is indeed distinguished as well, and the subcommittee members for their report language endorsing the goals of the CDFI program and their belief that any process abuses can be corrected without destroying the program, which this amendment would do.

I also commend the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] for their emphasis on the activities that support microenterprise development to build the skills, assets, and earnings of low-income Americans.

Mr. Chairman, as this Congress systematically dismantles our traditional programs for poor people and poor communities, we must support programs designed to ensure that these communities have access to the financing they need to help themselves. The CDFI fund is one such program.

I urge my colleagues to oppose the Bachus amendment and support the committee, support the funding level of the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] of $125 million for this important and successful program which is helping American communities help themselves.

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

□ 1630

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

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

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

Mr. BACHUS. Mr. Chairman, I think it is important for all of us in this body to define what this amendment does and why it is necessary and what it does not do. This amendment leaves funding at the present level of $50 million a year. We heard the gentleman from Florida that said the Senate, because of these same facts and what has happened in this program, zeroed out funding. But the amendment that the gentleman from Florida and I have offered leaves the funding level from last year.

Why are we offering this amendment? Why are we opposed to the administration's request that funding for this program increase by 150 percent to $125 million? We are doing that for several reasons. One is that of the original $50 million that was appropriated by this Congress, $37 million of it was directed to this fund, and of that $37 million, as of March of this year, only $4 million had been spent. As of this time, the whole $37 million that was appropriated in 1996 has not been granted. We have got $37 million in an appropriation and since 1996 they have not appropriated all the money. Should this Congress come along and at this time say we are going to put another $125 million in? I think not.

What has happened to the money that the people of the United States, the taxpayers, put in, this $37 million? Let us look at what has happened to it. First of all, not all of it had been spent and we are asking those same people for another $125 million. But of that that was granted, $11 million of it was granted without any written memorandum, no written review.

In fact, to review, to do our necessary oversight, on April 14 of this year, I told the director of this fund that I would be reviewing the grant process and that my investigators would be there on the morning of April 18. Subsequent to my letter to her, she was at a conference in Paris, France, she called the deputy director and told him to create a memorandum, to create paperwork outlining the grant process. In fact, he did this on $11 million dollars worth of grants. To get there, to put this paperwork, documentation of how these grants were made, to be able to do that, they had to stay up all night the night of April 17, and during the middle of the night and until the next morning, and they only typed those papers up and put them in the files 2 hours before congressional investigators visited to determine if they had gone and complied with the grant process.

The inspector general has reviewed this whole process. What has she found? She has said that this was wrong. She has said that this was done against the advice of legal counsel at the fund. She has said that legal counsel advised that these documents be dated. In fact, they were not only not dated but they were put in those four files and they were made to appear as if they were written sometime, I think, between May and July 1996.

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

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Alabama which freezes the funding levels for the Community Development Financial Institution Fund at last year's level of $50 million despite the bipartisan budget agreement's increase in this valuable economic empowerment program to $125 million.

The administration and congressional leadership in fact agreed to this increase precisely because CDFI is a win-win for all parties involved. These investment funds are matched in the private sector and then used to create jobs, promote small businesses and build affordable housing in communities across the Nation.

While I thank the gentleman for his diligence in shedding light on poor management decisions in the first year at the fund and appreciate his help in ensuring that this worthy program will in the future be run efficiently according to new reforms, I must nonetheless take issue with his conclusion that the program should not in any way be hindered from meeting its critical goals of revitalizing distressed communities. The only arguments that I have heard

from the other side thus far are that the beneficiaries of these programs, those distressed communities, should be penalized until the Federal Government resolves its bureaucratic problem of paperwork.

I am making an argument that today we should not cease the fundings or freeze the fundings for these communities that so desperately need the resources while our investigations, which I might add I raise questions about those investigations, because I just got off the phone a few minutes ago with South Shorebank and the bank corporation and they have indicated in the course of this investigation they have never so much as been contacted by the investigators in the majority party on this particular issue.

Mr. Chairman, as a member of the Committee on Banking and Financial Services, serving the people of the south side of Chicago and the south suburbs, I have had the special honor and privilege of becoming intimately familiar with the exemplary organization and national leadership in community development lending that Shorebank and its holding company, Shorebank Corp., has exemplified as 1 of the 31 recipients of this year's CFDI fund awards. Thus, based upon my personal knowledge, I feel compelled to take issue with the gentleman's allegations that the recipients were not awarded CDFI funds meritoriously, but rather were the beneficiaries of some sort of political favoritism based upon connections with the Clinton administration.

Shorebank and the Shorebank Corp. have been involved in community development long before the Clinton administration became an administration in Washington. They are a model, an exemplary model that the President has talked about in many speeches across this country.

Mr. Chairman, CDFI's statutory language defines an affiliate as it is defined in section 2(k) of the Bank Company Holding Act as—

> Any company that controls, is controlled by or is under common control with another company. Shorebank has never owned, controlled or voted any voting securities of the 3 CDFIs in question, nor has it ever controlled the election of a majority of directors or trustees of any other CDFIs. Nor has the Federal Reserve ever determined that Shorebank exercises a controlling influence over any other CDFI.

There are business relationships between Shorebank and other CDFIs through its consulting subsidiary, but at no point in time have they ever exercised undue influence.

Mr. Chairman, there were no violations of statutory limits. The enacting statute prohibits the fund from providing over $5 million to one of these CDFIs and Shorebank Corp. has only received $4.5 million. The claims of political favoritism are also unfounded. In fact, to assert such claims is actually insulting to those communities which have been blessed by the innovative and immensely successful revitalization efforts spearheaded by Shorebank and other community development lenders.

Mr. Chairman, I would like to ask the chairman of the Subcommittee on General Oversight and Investigations of the Committee on Banking and Financial Services to join me in a colloquy.

Mr. Chairman, is it the gentleman's understanding from the report based upon the investigations that he has received that they have never, or have they ever contacted Shorebank or its officers with respect to the particular allegations that are being made?

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

Mr. JACKSON of Illinois. I yield to the gentleman from Alabama.

Mr. BACHUS. I would say to the gentleman that it is not our obligation to contact Shorebank or even to decide whether they are worthy of a grant or not. This law sets up a review process and requires certain documentation to be made. Shorebank may, in fact, be a totally worthy organization. I have no reason to believe they are not a good organization that does good work. That simply does not entitle this fund to simply make a check out for $4.5 million and hand it to them without a review, without any documentation. Certainly the gentleman from Illinois would agree that the end does not justify the means. As worthy a goal as there may have been, it does not allow one to manufacture documents.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. JACKSON] has expired.

(By unanimous consent, Mr. JACKSON of Illinois was allowed to proceed for 30 additional seconds.)

Mr. JACKSON of Illinois. Mr. Chairman, is it the gentleman's argument that the distressed communities who would be the beneficiaries of the additional appropriation, the $125 million, should be penalized because of bad paperwork by the administration?

Mr. BACHUS. It is not, and I would say this, not for bad paperwork, but for a process that was unethical, that was misleading, that misrepresented that there was in fact to these four applicants, they were awarded money. They did not go through the process that the other 257 applicants went through, even if they are worthy. Even if we say these guys are great, we just cannot ignore the law. We cannot ignore the rules.

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

Mr. Chairman, as a former prosecutor and as a member of both the Committee on the Judiciary and the Committee on Government Reform and Oversight, it never ceases to amaze me the new defenses that are raised whenever somebody with regard for the integrity of our laws and the integrity of the appropriations process raises a question about something that this administration is doing.

We have three new ones just here today. Defense attorneys, take note. It is a defense to any hint of an investigation that certain people have never been contacted, an airtight defense for abuse of public moneys.

Or they are doing a wonderful job with the money that is appropriated. It does not matter that it may be appropriated by people who are violating the law, but they are doing such wonderful things with the money. An airtight defense.

And yet another one. That to investigate or to hold up increased funding in the light of very serious allegations, violations of Federal law, would insult the eventual recipients of the money. Another airtight defense.

The fact of the matter is, Mr. Chairman, that the amendment and the discussion of it by its proponents today has nothing to do with condemning the wonderful job that the banks may or may not be doing through the CDFI funding. It is no indictment whatsoever on the wonderful things that the recipients of the money may be doing, and it really escapes me for people on the other side to become so indignant because this amendment and its proponents and their very sound arguments are saying, now, wait a minute, we here in this Congress are stewards of the public trust, we are stewards of the public moneys. And when very serious allegations are raised that individuals administering tens and hundreds of millions of dollars of programs are violating Federal laws in the way they administer those programs, that all of a sudden, we are made out to be the insensitive bad guys is really something that I am getting kind of sick of, Mr. Chairman.

Let me give three possible violations of Federal law just by a very quick reading of title 18 of the United States Code annotated that may be at play here, and see if this may cause folks on the other side that are so indignant that we would raise this problem to perhaps rethink their indignation.

18 U.S.C. 371, 18 U.S.C. 1001, 18 U.S.C. 1505, 18 U.S.C. 1517. Mr. Chairman, what the gentleman from Alabama and the gentleman from Florida are saying is, ''At least let's hold the status quo until this can be looked into,'' these very serious allegations of obstruction of justice.

□ 1645

We are not saying, ''Let's completely emasculate the program.'' We are not saying, ''Let's cut it back.'' We are simply stating that in light of these very serious allegations that are substantiated to a large extent, I believe, in an investigation conducted by the Inspector General of this agency, let us at least hold off increasing the amount of money that we are letting these folks who seem, very clearly, to have violated Federal laws in manufacturing documents designed to mislead, misdirect, and obstruct an investigation can be looked into. And I think it

would be an abrogation of our responsibility that supersedes anything about how nice a program is or what wonderful things it may be doing if we were to turn a blind eye to these very serious allegations.

Mr. Chairman, I think that the gentleman from Alabama, who is the chairman of this Subcommittee on General Oversight and Investigations, I think the gentleman from Florida, who is a coauthor of this amendment, have raised very serious concerns here that should not be dismissed simply because folks on the other side who like these programs, like the programs and feel that an indictment or an attack on people who appear to be violating the law is somehow an attack on the program or what might be very worthy recipients of the funds.

Mr. Chairman, let us just simply stand back for a moment, forget about being defensive about an investigation that may have done something wrong, maybe they did not. But let us stop being so defensive and recognize that we have an overriding, overarching responsibility here to ensure that our laws are faithfully executed and that those people who are entrusted with the authority to administer hundreds of millions of dollars for very worthy purposes, deemed so by law and by the President of this country, that they do so in a manner befitting the laws and the integrity of our system.

Mr. Chairman, I urge adoption of this amendment.

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

Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, I oppose this amendment, and I want to make it clear at the onset that I think the oversight work that our subcommittee chairman on the Committee on Banking and Financial Services is doing is important work. I respect him for it, and I furthermore believe that the Treasury and the officials that, in fact, wrote out memos prior to his review of the files are in error, that they are wrong in terms of what they did. But those memos were undated, I might add, and there is no indication at this particular time that there is anything that was done illegal. I certainly think it was not proper.

But the focus of my attention today is not so much on what these officials did that regulate the program. I think we should get a thorough accounting of it, and perhaps somebody, as my colleagues know, ought to get a few demerits, if not some other factors that would enter into that in terms of this program; because I care about this program and I want it to work.

This Congress acted on this program in 1994 and authorized $400 million, but the only money that has been appropriated is that $50 million so far, and incidentally they have, this past year 1996, finally have provided some grants awarded. I think they are doing much better than some of the reports of my colleagues and friends here with regard to expediting the program. It is an enormously important program.

But as my colleagues know, I get the impression here that we are jumping from oversight to prosecution, to persecution of a particular program, and the end result of this is not going to fall on the bureaucrats or those that are administering the program at Treasury, but on the individual communities that are relying and looking at this program as being something to revitalize and to help their communities.

So I am very concerned about the rhetoric that I heard here today with regard to the allegations, and so forth, that are going on. I think we have a presumption to do our job, but also to assume that this program administration is corrected. Maybe one of the biggest problems with this program is the fact that it was part of President Clinton's initiative in his first Presidential campaign because it certainly seems that almost anything associated with the administration, whether it has been AmeriCorps or whether it has been this CDFI program, seems to be issues that have rankled a lot of sensitivity, especially this particular bill as they do with brownfields and some of the other initiatives.

Mr. Chairman, I regret that because I think these programs should be really bipartisan in nature. I think that most often they have been. I do not remember the same circumstance occurring in past years when I agreed with President Bush or agreed with President Reagan, although it may not have been as often as they would have wished.

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

Mr. VENTO. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, again I want to state I think these programs can do some good in the community. I have stood up for minority business development grants and other things in my community and fought for them.

What we are saying in this amendment: Currently there still exists $33 million in current accounts to spend. With this amendment we will continue and add another $50 million to the account to do their good work. All we are asking before we up the account to $125 million, is we get some answers.

Mr. VENTO. Mr. Chairman, reclaiming my time, I understand the gentleman's position. I appreciate the fact he did not eliminate the program. But I must say that this program has been in the starting gate and hardly has gotten started because it has been fighting sort of a rear guard action since its passage, and it has not all been on one side of the aisle, many have frustrated indirectly.

So the concern I have is that these programs are enormously important, they are in place, they should be funded. It is authorized at $400 million. This is a completely reasonable agreement to fund at $125 million unless we find out something substantive that is flawed in terms of the systemic nature of the program.

Some actors along the way have done something, but I do not think anyone has argued that the dollars that are going into the program are fundamentally being misused or abused, that nothing has been lost with CDIF.

As my colleagues know, there are some claims of favoritism, there are some claims of producing materials or records. I think there is an explanation, which I find inappropriate, that I do not necessarily accept, and I will, as my colleagues know, and do support the gentleman from Alabama [Mr. BACHUS], the subcommittee chairman's active oversight role.

But I think that we need to look beyond that, and the embellishment of this does not justify sentencing the program to another year in purgatory as it would be. Why punish the low income, low wealth communities that need the help? In fact, the grant programs have awarded, maybe not spent out the money, but have awarded $35 million and $13.1 million in 1996, respectively, which means that the dollars are actually committed even though they may not have been expended this year.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. VENTO] has expired.

(By unanimous consent, Mr. VENTO was allowed to proceed for 2 additional minutes.)

Mr. VENTO. The demand for the program is very great if we looked at the 2 elements of it, the Bank Enterprise Program. The demand there has been very significant. On the CDFI, community development organizations have $300 million and requests were submitted. Thirty-five million was, in fact, committed after, in fact, the request, and of course on the other side some 31 community development organizations received that $35 million, and 38 banks under the Bank Enterprise Program received an allocation of $13.1.

The demand for the program is clear. We think it is a program that has worked, and will succeed in the future, but too many of our colleagues will not give it a chance to demonstrate that. Grantees were limited in numbers. The very best applicants won grant, Treasury did request, of course, an Inspector General investigation that did not criticize the grant awarded. The IG report did counter allegations that a CDFI official selected and awarded grants that he formally worked with had a conflict of interest. In fact, there is a small group, or nucleus of people with the CDFI expertise. It should be expected that some overlap in terms of individuals that are specifically familiar with this limited number of special financial institutions, and that is one of the principle issues that we have to sort through in terms of understanding that there is no documentation that I am aware of, that the CDFI staff exercised undue influence or favoritism of a particular applicant to the detriment

of other applicants, no doubt by selecting certain more established grantees, some of whom were the models for the 1994 law. Other applicants were not selected.

But it is a case where there is a lot of applicants, there is competition. Whenever we see these circumstances, there can be and likely will be allegations that someone did not receive the grant they sought. I mean it happens to each of us. We have within our States or districts people that are competing for grants. It is unfortunately part of the competitive process that we have this criticism.

But I think we should be more restrained in jumping on this and claiming violations of the law. Of course anyone can make allegations, but proving them is another matter. But I stand with my friend to help and work with him, but let us not cut the program out, let us not sentence this program to another year in purgatory.

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

Mr. Chairman, once again let me repeat what this amendment does is it freezes spending at last year's level. It does not provide a 150-percent increase for a program with a lot of questions being raised about it at this time.

As a businessman from Florida, I understand the need for affordable low interest loans in economically depressed areas. These kinds of incentives are crucial for stimulating business and job growth. That is why I do agree with the general goals of the Community Development Financial Investment Fund, even though as a fiscal conservative I wonder whether or not this program represents a true Federal responsibility. The original catalyst for this program, after all, was a local initiative.

More concerning than the issue of federal law, however, are questions which have recently arisen on the program's effectiveness and impartiality. At this time the House Committee on Banking and Financial Services' Subcommittee on General Oversight and Investigations is investigating a series of allegations against the Fund. With these kinds of issues surfacing, I think it is important to not let noble goals supersede good sense when we are talking about the taxpayers' money.

There are several potential problems with the CDFI Program, all of which warrant a serious, thoughtful review by the banking subcommittee before we allocate a huge increase.

First of all, there are serious questions about the management of the program. A recent review by the accounting firm of Ernst & Young found irregularities within the award process, a failure to adopt uniform review procedures and a severe lack of documentation.

Second, since the CDFI distributes money through an awards process, it is imperative that funds utilize a fair, unbiased procedure for these allocations. A recent review of the fund, however, showed that they failed to adopt objective scoring systems in selecting recipients. This revelation suggests the possibility of favoritism and cronyism within the agency in divvying up this money.

And finally, there is a question of criminal activity at the fund. During an initial investigation by the subcommittee, they were unable to find any material demonstrating that the fund conducted a meaningful review of potential grantees. However, a second subcommittee review unearthed undated memos which may have been written after the first review had been concluded.

As a steward for the Federal Government's taxpayers' money, there are times when one just says, hey, wait a minute, maybe this program does not need or deserve a large increase this year. Why should the American taxpayer be forced to fund a 150-percent increase for a program that is under serious investigation by this legislative body?

With this amendment we are in no way saying the Community Development Financial Institutions as a whole are not a good idea or do not provide a service to the community. What we are saying is that noble goals are not always followed by effective implementation. Let us not increase a questionable program by 150-percent. Let us slow down the funding and wait until the authorizers have a chance to ensure that the program is meeting its obligations and taxpayers' expectations.

Mr. Chairman, I urge my colleagues to support this amendment.

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

Mr. Chairman, I must rise today in opposition to the amendment offered by my distinguished colleague, the gentleman from Alabama [Mr. BACHUS], the chairman of the Committee on Banking and Financial Services' Subcommittee on Government Oversight and Investigations, on which I am the ranking member.

While I support the efforts of the gentleman to ensure that the Community Development Institution Fund is efficiently and effectively administered, I vigorously oppose the proposed freeze of the Community Development Financial Institution Fund at the fiscal year 1997 levels.

I am a little bit surprised at the tone and spirit of this attack. Let us be clear. This is an attack on small business. The small businesses of this country that benefit from this fund are the ones that we all talk about we want to help. These are small institutions such as credit unions and others providing the funds for these businesses.

I am surprised at this attack in the way that it has been done because most people do not know that this Fund is kind of divided into two parts. We have the small nontraditional institutions that provide monies to small businesses in inner cities and rural communities. This is not a minority program, as it was referred to a moment ago; I want to set the record straight.

□ 1700

I want to set the record straight. This is a program that operates throughout this Nation in rural communities, in inner cities, in suburban areas. This is a program for everybody, and they do avail themselves of it.

Let me also make something else clear. When this program was initiated, even though the President had a vision for how we could put this money into small development organizations and institutions such as credit unions, the gentleman from New York [Mr. FLAKE] said no, we are not going to give it all to these nontraditional organizations and small banks and institutions. We are going to give some of it to them, but we are going to give some of it to the big boys, so they too can do some of this community development lending.

There has been no talk or investigations or planting of information about the Bank of America or Chase Manhattan or CitiBank or NationsBank. They all participate in this program. They are on the other side. They are the big institutions who have money that they use to do whatever they are supposed to do with this money. But this is just to look at the small kind of nontraditional institutions that are helping small businesses. So I am surprised.

Mr. Chairman, let me just say that it was said that this money has not been allocated in a timely fashion. Let me correct the record. Over two-thirds of this money has been issued as of March, over two-thirds of it has been given out.

Let me tell the Members why we do not want to freeze the funding. The gentleman from Alabama [Mr. BACHUS] would have us believe this does not really hurt anything; we are not trying to strip it, we are simply trying to freeze the money and keep it at certain levels. We are all basking in the glow of the growth and development and the success of our economy in this Nation. We like to get up and talk about how well the economy is doing.

These little businesses want to do well, too. They want to take advantage of this growth and all that is happening in the economy. We do not want to freeze them now. Just think what a little money would do for them. They have the ability to put this money out to little businesses who can sell their goods and their services. That is why we do not want to freeze it. We want these little businesses to take advantage of this growing economy.

While I applaud the work of the appropriations subcommittee, and I do, the chairman, the gentleman from California, [Mr. JERRY LEWIS] and the ranking member, the gentleman from Ohio, [Mr. STOKES] have done a good job, as well as other members of the subcommittee in developing this bill, I

am particularly pleased they have decided to increase the funding of the CDFI funds to $125 million in keeping with the budget agreement. Again, we want little businesses to participate in this growth and development. Now is not the time to put our foot on their necks.

The CDFI program does the critical work of revitalizing distressed communities by increasing the capacity of community-based financial institutions to meet the unmet financial needs of this community, at a time when we are talking about welfare reform, at a time when, again, we all wax eloquently about how we want to help small businesses.

The CHAIRMAN. The time of the gentlewoman from California [Ms. WATERS] has expired.

(By unanimous consent, Ms. WATERS was allowed to proceed for 30 additional seconds.)

Ms. WATERS. Mr. Chairman, this is not the time to clamp down, to deny funds. When we talk about we want to help small businesses and we believe in this program and the fact that we should have community development in distressed communities, it does not make good sense.

I would ask my colleague, my friend that I worked with very well, to reject the notion that somehow this is going to make this a better program. I would ask him to simply refrain from trying to deny access to funds for small businesses at this time.

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

Mr. Chairman, in the past year the CDFI fund has generated a considerable amount of controversy. A recent report by the Department of Treasury's inspector general highlighted a number of these problems. I cannot in good conscience even think of increasing the budget of the CDFI funds until these problems have been addressed.

I am also troubled that the CDFI fund has only distributed $4 million of the $37 million appropriated in the last Congress. Our amendment will freeze CDFI spending in an effort to allow Congress to work with the Department of the Treasury to continue to address the points raised in the inspector general's report.

Mr. Chairman, after a 2-month delay, the Treasury Department finally complied with an April 14 request by the oversight subcommittee for all the materials created by Ernst & Young, the accounting firm hired by the CDFI Fund to review fund procedures. In these documents were interviews with CDFI fund employees which indicate that CDFI employees raised a number of troubling issues concerning the administration of the awards.

These allegations include: CDFI officials instructed reviewers to emphasize positive information for applications being passed, and to emphasize negative information for those failing. Certain applicants received requests for clarifying information from CDFI reviewers that went beyond clarification and constituted assistance in preparing the applications. CDFI was helping certain applicants receive what was supposed to be competitive awards.

Extensions on applications were granted to some but not all applicants. CDFI regulations required a three-tiered review process. This was ignored. For instance, the Tier 1 reviews were not conducted until after the award decision was ultimately made.

The Fund reviewed certain applicants with different review criteria than other applicants. Applicants were interviewed but no accurate records of the interviews were ever prepared. The list goes on and on.

I must stress that these allegations were made by CDFI employees and are being investigated by the oversight subcommittee. Clearly there are too many additional questions that need to be addressed before we can even consider increasing funding for this program. Perhaps we will be able to increase the funding at a later date when the inspector general and Congress have finished their investigation, but in the meantime, I urge all of my colleagues to support this amendment until the oversight and investigations committee can resolve these very serious issues.

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

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

Mr. BACHUS. Mr. Chairman, let me first clarify two things that I think have been said here that are in error. One is that the inspector general has addressed the issue of whether the grants were proper or not. In a letter to me yesterday, she says that her investigation was restricted from that, and that that investigation continues to go on. So she has really not addressed that. We do not know whether or not the grant process, whether or not there was fraud or whether there was not.

What we do know is that the letter of the law was not followed, that documents were manufactured. I think it does put us on the horns of a dilemma. The Department of Treasury has not dismissed this. They say they have serious concerns about this.

What I am saying, and I am not speaking for my colleagues, I am not talking about the underlying intent of this program. I am not talking about the good it has done or that it could do. I am certainly not saying there is not a need in these communities for help and that there are some worthy goals.

I am simply saying that when we take 271 applications and give four applicants about one-third of the money without a review process, and then take the other 267 and make them go through a review process, and then when I am charged as chairman of the Committee on Government Reform and Oversight to come in and review the process, and instead being told, hey, we do not have any paperwork on these four, these documents were put in there to mislead.

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

Mr. Chairman, for all the reasons that the distinguished gentleman from Alabama [Mr. RILEY] just stated I would urge opposition to his amendment, which is well-intentioned, and support of the full funding for this program.

I do so on the following basis. The gentleman indicates that last year a problem occurred. It is my understanding, I say to my friend, who has much more knowledge on this issue than I, I want to say that out front, but it is my understanding that in fact the applications to which the gentleman refers were in fact reviewed, but there was not the proper paper documentation of that review.

Now that aside, because I do not have nearly as much information as the gentleman does, that issue occurred last year. That issue is properly under investigation by the committee, as it should do, as it has a responsibility to do, to ensure that in fact proper procedures, legal procedures, effective procedures, are pursued for the purposes of granting dollars appropriated by this Congress. I applaud the gentleman for that effort. It is an appropriate effort. I support it.

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

Mr. HOYER. I yield to the gentleman from California, my very good friend who has written an extraordinarily good bill.

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague's yielding and his comment.

I must say to the gentleman, the only reservation I have, for I am concerned about programs that affect the inner city and small businesses, et cetera, is that when we went to the Committee on Appropriations, the Committee on the Budget and the Committee on Banking and Financial Services generally had expressed dollar levels but this information was not available to the Appropriations subcommittee. This does concern me.

Mr. HOYER. Mr. Chairman, I thank my chairman for his comments on that issue.

I believe for the reasons stated by the gentleman that we ought to reject his amendment, not reject his investigation, not reject going forward to find out whether there was wrongdoing here—that is appropriate and we ought to do it—but I say to my friends that this activity occurred prior to the budget agreement. The budget agreement entered into by both sides contemplated and agreed to the full funding of this program.

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

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

Mr. BACHUS. Mr. Chairman, let me say this. On April 14, I announced my intention to review the files. These

documents were created on the night of April 17 and the morning of April 18. I have been attempting since that time to find out the truth, and it was only on the inspector general's report coming in this week that I knew about it.

Mr. HOYER. I understand that.

Mr. BACHUS. Mr. Chairman, I do agree that we are caught on the horns of a dilemma, and that you can advocate for this program and condemn the act that happened. So I do not fault the gentleman for that. We have been hurt in our oversight. I do not question the gentleman's motives. I do not question that. That is not for me to do, or to question the effectiveness of the program.

Mr. HOYER. I thank my friend for his comments.

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

Mr. HOYER. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I think we concede that nobody is going to defend the fact that somebody began to put it on paper after the Oversight Committee chairman properly asked for some materials. But the fact is that the contention that there has been no evaluation done, even if it was done orally and it was not put on paper, does not mean that it was improper. That is a legitimate question. The gentleman would like to put things on paper, and I do, too. But the fact is that there is no demonstration that anything that has been done is improper. In fact, most of the information that has been alleged to be improper has, I think, had satisfactory answers brought to the conclusion with regard to this.

Mr. BACHUS. If the gentleman will continue to yield, Mr. Chairman, there are two allegations that things may have been improper. One is that these documents should have been dated. Even the legal counsel at Treasury cautioned against doing what was done.

I will say this, and I say this with some hesitance of being misinterpreted, but I am going to say it, President Clinton was a supporter of this program before it was created. He advocated it before it was created. He was a proponent of it. So his involvement in pushing it or advocating it should in no way indicate any ill intent on his part.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. HOYER] has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 5 additional minutes.)

Mr. HOYER. I thank the gentleman for his comments. That is why I suggest to my friends, as I said at the outset, that I think the gentleman's comments really lead us to remove ourselves from either horn of this dilemma.

The reason I say that, it seems to me self-evident that we have a program here which almost everybody who has risen to talk has said has a worthy, important critical objective, to give economic development in those areas where all of us want to see economic development, job creation, and better lives for people.

□ 1715

If that is our objective, then the budget agreement which contemplated the full funding of CDFI ought to be pursued at the same time that other horn ought not to be abandoned, that is to say, this investigation; this investigation into whether or not the administration of this program is being pursued properly, which I do not know, but if it is not, it ought to be. I agree with the gentleman from Alabama.

I also appreciate the gentleman's remark, the President has been a very strong proponent of this program, long before there was any question of impropriety. The President does not want impropriety any more than the gentleman from Alabama. But what the President does want and what he asked for in the course of the budget agreement was that this program be pursued vigorously because the objective was critical. If we are going to energize and grow communities, we need to have healthy economic engines for not only central cities but also other areas.

So that is why it is so important that we fully fund this program today, and I might say to my friend, there will be time obviously between now and the adoption of the conference report. And as the gentleman well knows, this money is October 1 forward money, so that if we do not give the lead time now, once you resolve the problem and we do not have the resources, we will not be able to pursue the program as vigorously as I think most wanted.

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

Mr. HOYER. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, the bigger question is, we are talking about four loans in question totaling $11 million that went to Shorebank Corp. of Chicago and three related companies. A college roommate of President Clinton worked there in the 1980's. They came down and set up a corporation in Arkansas which Mrs. Clinton became a director of and formed through the Rose Law Firm.

The one firm, the group of companies that got $11 million from this fund are the only ones we cannot find documentation towards. So we are urgently concerned with the way this particular grant was authorized. There may be nothing inappropriate about it.

Mr. HOYER. Reclaiming my time, Mr. Chairman, I will say with all due respect to my friend from Florida, your side of the aisle is unbelievably concerned with anything that Hillary Clinton may have had any relationship to over the last 29 years of her life.

Mr. Chairman, in closing, I believe we can extricate ourselves from these horns of dilemma on which I do not believe we are hoist. I say to my friend that I think we can reject your amendment or perhaps you would withdraw it. We could reject your amendment and pursue the proper investigation, so that we have a fully funded program that we all think is important, and at the same time make sure it is being run properly.

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

Mr. Chairman, let me say that I wanted us to focus for a minute on a problem we have. That problem is that the people who directed that these documents be placed in the files are the director and the assistant director of this fund. We are not talking about clerks here. We are not talking about low level officials.

We do need to move in two directions. One is that we clean up our program as opposed to close it down, or some for philosophical reasons say close it down. This amendment freezes funding this year. I will say again, I think Shorebank has done good work. I do not think that that, and I have not pointed the finger at Shore Bank or these three other institutions. They received funding.

What I have said is that they did not go through the same process from what the files appeared. It is a different situation. I do not want this to be taken personally on my part, particularly this is a program that the President fervently believes in.

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

Mr. BACHUS. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman's support for the program. The concern I have is that very often in a categorical grant situation there is a lot of communications had between the agency and the applicants. In fact, sometimes they get customized, sort of like a game of ping-pong, until you get the number right.

The fact is this is a relatively small community at this time. It is a startup program. Clearly there are some problems here. I fault them for providing papers after what apparently was the oral and the nonwritten type of approval of these grants. That is regrettable for those of us that have advocated for this program. Certainly for the administration, the President, this is deeply disturbing and we hope we can resolve it.

Mr. BACHUS. Mr. Chairman, I would say that it ought to be deeply disturbing to him to have something like this happen, and him to be involved in it only because he is an advocate and supporter of the program.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. BACHUS. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, let me say that I share the gentleman's concern about the proper management of this or any program. I am the ranking member of the subcommittee that the

gentleman chairs. We have not had a discussion about this. Not once did the gentleman ask me to join him in taking a look at this.

I would be the greatest supporter of trying to make sure that this program and any other program is run properly. We all care deeply about this program. This was a bipartisan effort. We debated this in a laudable fashion when it came before us. If the gentleman wants my cooperation in taking a look, he has it. But I would respectfully ask the gentleman not to cripple this program, not to cripple the institutions, not to cripple the small businesses who will be the beneficiaries, all of those applicants you have from Alabama.

You have about six of your areas in Alabama who would like to have money. We need to expand the opportunities. I would ask the gentleman not to cripple their opportunities with limiting this and keeping it at $50 million when, in fact, the President and the budget agreement that was worked out would allocate $125 million.

Mr. BACHUS. Mr. Chairman, I am sensitive to that agreement.

Let me wrap up and then I will engage in a colloquy. I think what we are doing here today is healthy because we are not simply slamming each other's motivations. We are not trying to grab this for political purposes. I think that it does do a disservice to our debate when we characterize the President's advocacy of this program in a demeaning way. He is a supporter of this program and of what it is designed to do.

We have to have every applicant go through the same process, play by the same rules, and this agency has got to be forthright, honest, open and expedient when we go in to review it. They have to give us an honest review.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a member of the Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations, and this did come before our subcommittee and we discussed it at length. I would like to say to my colleagues, and to my colleague who has this amendment here, we are aware of these allegations of improper activities surrounding the first round of CDFI awards and, coincidentally, one aspect of this allocation was highlighted in today's Washington Times and the Wall Street Journal.

While the appearance of these articles today as we debate this amendment gives the impression of breaking news, I say to my colleagues this is not breaking news and this investigation is not news to our subcommittee. The allegations against the CDFI program were discussed throughout our hearing process. An appropriate investigation has begun and is being undertaken by the IG and the Treasury Department.

So the committee's position is fully discussed in the House report, and we insisted that appropriate changes, safeguards and improvements are made to ensure that every penny that we are appropriating from this subcommittee reaches the budding entrepreneurs and underserved communities for which it is intended.

I beg my colleagues, particularly my colleague who offered this amendment, we must give the CDFI fund a chance to continue to build on its success and make course corrections and, of course, improvements as needed. You do not want to wipe out this program for one or two infractions which you have heard about but that are being investigated.

The CDFI program is well deserving of our support. Our colleagues have told us how good it is for budding entrepreneurs. It has my and many of my colleagues' support. Why do we not give this a chance? Hopefully this well-meaning colleague will withdraw his amendment which will be deleterious to this particular fund. It is already being investigated, and we ask your help in having the CDFI maintain its funds.

Mr. Chairman, I yield to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I thank the gentlewoman for yielding to me.

Let me say I stand in a unique position here in that I am the predecessor of the gentleman from Alabama [Mr. BACHUS] as chairman of the Subcommittee on General Oversight and Investigations.

One of the things that one finds when he or she is in that position is that there are always agency issues that can bring one to a point of wanting to do what the gentleman has tried to do with this particular piece of legislation; or one can make the decision that they are going to try to work with the agency, work through those problems, solve them, based on a desire to want to assure that a worthy program has the ability to do what it was designed to do.

Let us be very clear. I chaired the committee during the time of a Republican administration in the White House. The gentleman was a member of that committee and he knows for a fact that I never did treat the committee in a way where, whatever problems we found in an agency, we treated them as if they were White House problems. We treated those problems based on the fact that that particular agency had some issues that needed to be resolved, either because they were being investigated or we found some problems that we had some difficulty with.

Therefore, it seems to me when we really look at Community Development Financial Institutions and the dual track on which that runs, because it does not stand by itself; it in fact runs also with the Bank Enterprise Act which Tom Ridge and I did as a bipartisan piece of legislation in 1991, long before there was a Bill Clinton in the White House. The reality is, if we look at the first year of CDFI funding, what we ought to be dealing with is, yes, there are some problems.

We all know those issues need to be addressed. There is an investigation. We definitely want to see that resolved. But it seems to me that the intent of the program, which did not really start with Bill Clinton but started way back, which is why Tom Ridge and I did it, and then subsequent to Tom Ridge being elected governor of Pennsylvania, the gentleman from Iowa [Mr. LEACH] and I came back and issued the same legislation again, the reality is, Mr. Chairman, that we as a body, it seems to me, if we are going to respond every time an entity in our communities do not get funded or if we are going to respond to every complaint that is brought before us, we will find ourselves going through almost every agency of government making a decision that that agency ought not be funded.

I would suggest that this is an appropriate agency for us to look at based on its 1 year experience and in looking at that 1 year experience, make a determination in accordance with some recommendations that they have already made, put our recommendations on the table as well, try to work through those recommendations.

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

Mr. Chairman, I am a little puzzled. I was in the Chamber to deal with another matter and I have been listening to this debate. I am a little puzzled about what is going on.

It seems to me that we have got a documented wrongdoing here that has been discussed now in the media, and inspector generals have gotten involved with it, once again showing the worth of having a good inspector general in any of the line agencies, as we have voted in this House recently to approve.

□ 1730

And then I take a look at the bill and suddenly discover that a program that has some mischief in it we are being asked to increase by 150 percent, and that it is a program, it turns out, where some of the mischief is involved with the person who is asking for the increase. I am having a little trouble with that.

We have a responsibility here not only for legislation but for oversight. How do we look our colleagues, our taxpayers, the people we represent back in the district in the eye and say, oh yeah, we sort of saw that but we winked and nodded at it because it was OK. We went and took a look at the fact and, yeah, they said, oh, they did something wrong.

What are these folks doing? Well, these folks are out there instead of ripping stuff up before the cops come through the door, they are making up the justification to cover up, to put stuff in the file. That is intentionally misleading a congressional committee. That is against the law. There are penalties for that.

I cannot understand why we are all just standing here saying, oh, this is

OK. It is not OK to mislead a congressional committee, and we all know it.

They want us to believe that this is just an innocent mistake. Let me read here from the memo that was put into the file, after the fact, to aid and abet this coverup. ''The applicant is potentially competitive.'' Now, remember, this is put in 2 months after the money has been given to the applicant. ''The interview team will need to review the application in depth to determine whether or not the application is in actuality competitive, and if it isn't competitive, how much funding to provide, in what form, and for which initiative.''

That statement is put into the file several months after the money has been given. That is a blatant bald-face attempt to mislead investigators by a line agency over which this institution has oversight under the balance of powers. We are accountable to the people of the United States of America to say this is wrong, we will not tolerate this, and we expect cooperation from the other branch of Government.

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

Mr. Chairman, the gentleman from Florida has illuminated the problem. He talks about people who he believes violated the law. He talks about people who mislead the Congress, and he supports an amendment which does not penalize them in the slightest. This does not cut their salary. This does not let the air out of their tires. This does not wake them up with a crank call at 4 o'clock in the morning. It cuts the program so that the intended beneficiaries are denied the funds. That is the illogic in this.

In fact, by this reading, the beneficiaries have already been hurt because people running the program ran it badly and we will show those people who ran the program badly, if they cheated the beneficiaries, we will cheat them even more.

This is like the parent who tells the teacher, ''You know, my kid is very sensitive. And if he misbehaves, smack the kid next to him. He will get the message.''

This is not hitting the person who misbehaved, this is smacking the person next to them. And we are telling the poor people, who are supposed to be the beneficiaries of this program, that because they have suffered maladministration, we will go after the program.

Now, I thought Republicans believed that what we should do was encourage self-help. We have cut housing, we have cut benefit programs, we have cut welfare. Have we no other way to deal with maladministration than to deny to the intended beneficiaries of a program the benefits they are supposed to get?

The people who misbehaved will be left whole by this. They will in no way be inconvenienced. Indeed, they will be paid the same amount of money to do less work.

Now, I appreciate the gentleman from Alabama, and I mean this seriously, that he said he was not impugning their motives, and I do appreciate that. I did begin to hear some dark plots about Hillary Clinton, and I thought we were going to be told that the documents had been found in Vince Foster's briefcase. But the gentleman correctly said this is a question of how we deal with programs. But the question is how do we deal with inefficiency, corruption, or whatever in a program.

Do we punish the intended beneficiaries? Do we hit the innocent victims? Because that is what this amendment does. Or do we say let us prefer charges. I am not familiar with the specifics. But if someone violated the law, we should not take away the program they are administering from the people on whose behalf it was created. Go after them.

I am particularly concerned by the double standard. The gentleman from Florida, who spoke just before me, has been very active on the Permanent Select Committee on Intelligence. My recollection is a few years ago we found about $4 billion they had not told us about. They hid $4 billion. And what did we do to them? We said spend that more carefully the next time. The intelligence agency has been plagued with problems, spies, et cetera. We have not cut intelligence because of that.

Indeed, I think we could have cut them for other reasons. When we have cost overruns in the Pentagon, when we have other problems, do we penalize the programs' intended beneficiaries' shares? That is the illogic.

Have we not done enough to the poor? I mean this. Let us look at the budget. We have said, no, we cannot have welfare, we cannot have food stamps. People can make an individual justification for each of those, although I would disagree. We cut housing. We cut welfare. We cut for the least among us.

We did say, OK, here is what we will do. We will fund the program $150 million, not even the margin of error in the average Pentagon program, and we will take that and we will give that to these people for them to engage in self-help. There has been no allegation that the beneficiaries misspent. There has been no allegation, and the gentleman from Alabama quite generously noted some of the beneficiaries had done a good job.

Well, who do we think we are punishing? What is the logic of saying to one group of administrators, because you did badly we will, therefore, hurt the people for whom the program was intended?

I hope we will reject this amendment because I have not heard any arguments against the nature of the program, against the way the program works out in the street. I have not heard arguments that the program in its execution is flawed. I have heard some people at the top did bad things. Go after them.

Do not take the poor people of these cities, who are the intended beneficiaries of this, hostage in our frustration that some high level people did something wrong.

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

Mr. Chairman, for 11 years here I have argued consistently that the only way we really get to the bottom of trying to resolve many of the issues that are endemic to those communities where many of us would agree we need to make adjustments in our approaches to social programming is to create investment vehicles, investment opportunities, create the means by which government becomes the tool that leverages the possibility for development.

I am more than a Congressman, I am a minister who happens to be involved in development and has done more than 50 million dollars' worth in the community where I live. The bottom line is the one thing we do not have in those communities is access to capital. One reason we started out with the Bank Enterprise Act was to create vehicles by which we could get capital into the communities and not just focus on housing but also focus on redevelopment of commercial strips, getting people involved as entrepreneurs, getting them in business for the first time in their life.

If we are talking now about trying to reduce a program that has only been funded for 1 year, we are going to take away funding in the second year, the reality is it will take us almost forever to get that program back up to a point where we get businesses started in those communities.

Now, I find a problem in terms of the rhetoric that I hear here. On the one hand I hear my colleagues on the other side talk about how we need to move people from welfare to work. And then here we talk about, in spite of the fact we want to do that, we are going to take away one of the few leveraging tools we have to make investments to try to create jobs in those communities where the people live who would come off of welfare and go to work.

I do not need anybody telling me what the politics may be. I want them to deal with some realities. I have been fortunate where I am to create 800 jobs, I have about 800 employees, largely because initially we did investments from church funds. Most entities cannot do that. They need this leveraging tool. They need the synergy of government being involved with these community development corporations so that they can do what they are unable to do by virtue of the fact the resources are not available to them.

I would urge my colleague again to take a very close look at what his legislation does. I think it is a piece of legislation that, if he really would give consideration to, he might want to think about withdrawing because this

piece of legislation does damage to any possibility of being able to restore those communities, to create jobs in them, to put those commercial strips back on the marketplace.

If those commercial strips go back into the marketplace, they become taxable entities. If they create jobs, they create opportunities for folks to actually make contributions to the Federal Government through taxes that they currently are not doing. They create working communities where people do not have access to jobs.

I think we are doing a dangerous thing, and it is my hope that my good friend from Alabama will take a very serious look at the damage that will be done if we go in the direction of this amendment. And I would say to him again, having served as chairman of this oversight committee during the previous administrations, which did not involve Bill and Hillary Clinton, there were many times I could have actually done what the gentleman is doing. I did not do that. I did not do it with HUD or even with the RTC, in spite of all the tragic problems they had, but rather we tried to work with the administration.

I would urge the gentleman to work with this administration. Let us do what is right to try to move forward as a nation.

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

Mr. FLAKE. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman's work on the oversight and his work on the RTC oversight. I similarly, before that subcommittee, I headed a task force on the RTC, and I think we made it a better entity of the Resolution Trust Corp.

I would point out in the report of investigation by the Department of the Treasury, the office of Inspector General, and I am reading, ''On June 25, 1997, THOMAS Byrnes and Charles Mitchell, Auditors, Capital Audit Region'' of the office of inspector general from Treasury, ''conducted a comparison of the information contained in the four undated memorandums with the information provided by Rohde,'' who is the individual involved, in the oral memorandum based on the contemporaneous notes taken by Rohde, Cooper and Piper during the oral memorandum presentations. There was nothing in the notes which contradicted information presented in the written memorandums.

I would point out that the information is consistent. That does not, in my judgment, excuse or justify the fact that these memos were written and not dated and placed there prior, but it does to me suggest that there was an evaluation process that was in place based on what was a substantial memory of the individuals making the awards.

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

The question before us really is one of propriety, and I regret to say that I am very disturbed by the developments that I have read concerning the handling of the funds in this matter.

But let me speak first to the issue of whether the Congress is or is not being responsive to the needs of those in low-income communities, particularly in light of the debate as to whether this is an effective program or not.

The CDFI Program was a joint effort of the gentleman from New York [Mr. FLAKE] and Mr. Ridge several years ago, and at the time of its outset I was a supporter and felt confident it was a direction in which we should move. I pointed out then, however, and I point out to Members tonight, that the community investment program of the Federal Home Loan Bank, a program that exists today, as of the close of business in 1995, in 1 year, extended loans to low-income communities totaling $9 billion. Nine billion dollars.

So to say that programs of this Congress intended to help low-income individuals are not available is simply not accurate. Matter of fact, I would strongly support an expansion of the applicability of the CIP Program because I know how those funds are awarded and that deserving people get real opportunities.

The problem for us here with this debate is that with the CDFI Program, upon further examination, we cannot defend how the awards were made. There was no objective scoring criteria. There was no way to go back and say tonight that the $50 million that has been authorized and allocated, we know how it was given out.

Apparently the documents that have been the subject of controversy were inserted into the public record after the determinations were made. That is troubling.

All I am suggesting to my colleagues is that we should move very carefully. And the gentleman from Alabama [Mr. BACHUS] is suggesting with the adoption of his amendment that we say, wait a minute, let us keep it at last year's level 1 more year. And what are we talking about? The difference between $50 million, last year's appropriation, and the 125 previously agreed to. And I would point out to the gentleman that perhaps $25 million of the previously authorized 50 was actually spent.

So what is the rush? Why do we not take the proper steps? Because of one simple point. When I get off the plane and go back to Baton Rouge over the weekend, I will find it hard to say that $150 million is insignificant money to people in my district. Not that we are abjectly opposed nor in any way resistant to helping those in communities who have financial need, that we do in fact want to help, that we would like to see programs like the CIP Program properly managed and properly operated, and be fully funded. I can be supportive of that. But we should not at this point take this step without making careful review of the circumstance surrounding this program.

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

Mr. BAKER. I yield to the gentleman from New York.

Mr. FLAKE. Mr. Chairman, as the gentleman from Louisiana knows, over the years I have argued that in order for us to really build a concept of holistic communities, we cannot merely talk about housing. And what happens, and the gentleman is absolutely right, there are funding mechanisms available, Fannie Mae, Ginnie Mae, Freddie Mac, all of those are available, but what they do is basically concentrate on housing.

Mr. BAKER. Mr. Chairman, reclaiming my time briefly on that point only, and then I will be happy to yield further, the community investment program of the Federal Home Loan Bank funds firehouses, multifamily apartment houses, restaurants, anything a community needs, and $9 billion of it was done in 1995. So this is not a limited purpose program that I am referencing.

Mr. FLAKE. Mr. Chairman, will the gentleman continue to yield?

Mr. BAKER. I yield to the gentleman from New York.

□ 1745

Mr. FLAKE. Mr. Chairman, if we look at that very closely, what we find is that the resources that could be made available for the redevelopment of those commercial strips, the rebuilding of the small business sector in those communities, that is not where those funds are going.

Mr. BAKER. Mr. Chairman, reclaiming my time, let me give one further example, if I might. Under the Federal Home Loan Bank Community Investment Program, if the employees working in a business make less than 80 percent of the median income in that community, meaning lower income salaried employees, that business owner can go to the Federal Home Loan Bank member bank institution and refinance their entire business debt at a federally subsidized, low interest rate.

Now I can tell my colleagues that is a pretty distinctive advantage for low-income families. The fact is it may not be utilized everywhere. I do not understand, but it is currently being done.

Mr. FLAKE. Mr. Chairman, if the gentleman would continue to yield, it is an advantage. It is not enough. The bottom line is, if you are only dealing with the existing businesses, you still do not create the kind of opportunities that CDFI was intended to create.

We are talking about bringing new businesses into the mainstream. We are talking about potential entrepreneurs who right now have the basic plans but do not have access to the same——

Mr. BAKER. Mr. Chairman, reclaiming my time, I agree with the gentleman that we ought to have more innovative ways. The only thing I am suggesting here this evening is that we

need to make sure they work before we put more money in them and there is question as to how this one works.

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

Mr. Chairman, I will be brief and just make a couple of points. First, allegations have been made about improper behavior. Those allegations should be followed up. If people acted improperly, we should deal with them in accordance with the law. And I do not think that there is anybody who disagrees with that. And when somebody on the other side says, we do not care, that is wrong.

On the contrary, because we believe in these programs, we demand that they be administered properly. We do care, and we wanted to know about any illegalities, and we will work with anybody to address those problems. It is of concern that, as far as I understand it, the ranking member of that committee was not officially informed about these problems, and that does not suggest to me a nonpartisan way to address them. That is point No. 1.

Point No. 2 is, there is an enormous need for capital in low-income communities. And the gentleman from Massachusetts [Mr. FRANK] made a point a moment ago that needs repeating. I brought forth an amendment to cut funding for the intelligence communities after I learned that the National Reconnaissance Office had ''lost $4 billion.'' We were not successful in lowering funding for the intelligence agencies.

Time after time, cost overruns occur in the military; and through defense contractors, they continue to get increases in their programs. What we are saying is, we have a program here where the need is desperate. Low-income communities in Vermont and throughout this country need the capital to help small businesses and other institutions.

If people have acted improperly who are in the administration of that program, deal with that. But do not kill or paralyze the program because of the misdeeds of those people.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

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

Ms. WATERS. Mr. Chairman, I am pleased that the gentleman pointed out again that there was no attempt to work with me, no attempt to talk with me about problems that have been identified or problems that have been found. Anybody that knows anything about me knows that I will investigate, I will find out who is doing what, I will help get to the bottom of it.

Let me just say this: Questions still remain. I am not opposed to working with the Chair and the gentleman from Florida [Mr. FOLEY] to continue investigation, to expand investigation, to look at this from every angle that we can possibly look at it. I would think that the thing to do is to not penalize the businesses that would be the beneficiaries.

Remember what we are doing now in the budget. Remember how we targeted small businesses with capital gains tax cuts in order to grow them.

Mr. SANDERS. Reclaiming my time, if I might, may I ask the gentleman from Florida [Mr. FOLEY], I think what he is hearing on this side is no tolerance for misbehavior in the administration of that program.

Are we in agreement with that?

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

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

Mr. FOLEY. I understand that.

Mr. SANDERS. Reclaiming my time, and what the gentleman is hearing, sir, is that we wanted to move forward in a nonpartisan way.

Is the gentleman hearing that?

Mr. FOLEY. If the gentleman would continue to yield, I am hearing that, sir.

Mr. SANDERS. Reclaiming my time, OK, so let us do that. But can we have some assurance from my colleague that we should not be punishing people and small businesses in needs, that we should pass the appropriation that came out of the committee, and then let us proceed tomorrow to do the proper investigation and let us deal with that?

I yield to the gentleman.

Mr. FOLEY. Let me just reiterate. Fifty percent of the money still remains in the account to be given out. This amendment would allow an additional $50 million to continue to loan out to communities.

Mr. SANDERS. Reclaiming my time, I am really aware of that.

Mr. FOLEY. If the gentleman would continue to yield, and may I also stress the Senate VA–HUD passed out a zero funding for this category out of their committee yesterday. They zeroed out the account.

So we clearly do not want to do that. We do not want to go backward in time.

Ms. WATERS. Mr. Chairman, will the gentleman yield for a correction about how much money has been spent on the program?

The CHAIRMAN. The gentleman from Vermont [Mr. SANDERS] controls the time.

Mr. SANDERS. Reclaiming my time, I would just ask the gentleman from Florida [Mr. FOLEY], if the Senate has done that, then it is more important that we come forward with the full appropriation.

I would just urge the gentleman to understand that people on this side are not tolerant of any improper behavior in terms of the administration of those funds, and we will work with them to get at the root of the problem. We would hope, however, that he would support the full appropriation and allow this important program to go forward.

Mr. WATT of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to join my colleagues on both sides of the aisle in expressing concern if there has been impropriety in the administration of this program. I do not think any of us has the luxury or the American people have the luxury of tolerating improper conduct in the administration of any government program.

Having said that, let me also be realistic and say that there is not a government program anywhere where there are not some kinds of problems in them, and it is always our responsibility to try to identify those problems and to address those problems, and that is why we have oversight committees. That is why we have, hopefully, people of goodwill who are elected to office, both on the legislative side and on the executive side, who have as a responsibility running Government as cleanly and honestly and as efficiently as we know how to do it.

But there are communities throughout America who need the benefit of this program, at full funding, not at some reduced level, at full funding. There are problems obviously in the military. We heard about exorbitant cost of toilet seats and hammers. We did not go in and try to zero out or freeze the funding of the military. We identified those problems and we continue to identify those problems and try to address those problems.

There are problems of sexual harassment in the military, but we have not tried freeze the funding of the military because of those problems. We have tried to address those problems straight on, straight up, go directly at them, and the reason is that we know that there is an important public defense purpose that the military serves in our country.

What I have heard on both sides of the aisle is that there is an important public purpose that this CDFI program serves for our country. It was a bipartisan initiative. It was funded through bipartisan efforts. The makeup of it was influenced by my colleague, the gentleman from New York [Mr. FLAKE].

This is not welfare. This is something that advances what all of us support and stand for, which is the ability of every single community in our country to participate in the economic vitality of our country.

I am not critical of my colleagues for investigating any improprieties in this program. We have committed to join in the investigation because if somebody is wasting money that should be going to revitalize programs in inner cities, in rural America, in decaying communities, every single one of us should be outraged about it, and we are outraged about it if their conduct is improper. But that is not, that is not, my colleagues, an excuse to freeze the funding for this program, because then we are saying that the program has no value.

Mr. Chairman, I ask my colleagues to withdraw this amendment and allow regular order to proceed.

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

Mr. Chairman, I have listened rather intently to this debate and certainly much has been said. As a matter of fact, I agree with much of what I have heard. But it is very difficult to agree with the bottom line, and that is if the bottom line is to deny people all over America.

This program is the result of the creativity of Shore Bank, before the program started, developing some creative initiatives on how you could get money into low income communities, how you could make sure that people who had never gotten a loan could get a loan for their business, people who had never been able to purchase a home could purchase one through the creativity of the banking process.

Then Governor Clinton saw it, liked it and, as he became President, became a real proponent of it, talked about it all over America. And now I hear us saying that because the bath water might have gotten a little tainted that we are going to throw out the baby, too. Well, the baby really had nothing to do with tainting the water. I was at a Shore Bank just this past Saturday, a Shore Bank that is less than two blocks from my home, who reaches out into communities and asks people do you really need a loan? Come and let us help you go through the process, let us help you determine what you need to do, let us help you find out whether or not you are eligible. And so I join with those who would suggest that it is in actuality one of the best economic development programs that America has seen, and to be against it, to reduce the money, is like saying we like it but we are not really willing to demonstrate that we like it.

□ 1800

If we like it, let us fund it.

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

Mr. Chairman, I rise to plead with the Members of this body, to plead with the sponsor of this amendment, to plead with him on behalf of poor citizens who reside in the First Congressional District.

Mr. Chairman, this bill that we are discussing, the Community Development Financial Institutions Act, the CDFI, did not happen accidentally. This bill came into existence primarily because folks who live in districts like mine, the First Congressional District of Illinois, could not get adequate loans, could not get adequate credit for their homes and their businesses. We were indeed what one calls a classical credit-starved community.

Shore Bank, without the support of any governmental institution, decided that they were going to stand up and turn what most had viewed as being a lemon, turn it into lemonade. They began to develop an approach to providing credit to communities and to people that could not get it heretofore. They began to reach out and say to the people in South Shore, Jackson Park Highlands, Woodlawn, Grand Boulevard, other communities in my district that, notwithstanding the heartlessness and the callousness of the major banks in this city, we will indeed take your plight and your cause up and we will develop the kind of approach where you can get loans for your businesses and loans for your homes. They started this approach. They created this vehicle.

Mr. Chairman, when I was elected in the 103d Congress, when I came here in 1993 and served on the Committee on Banking and Financial Services, when this bill was discussed I was most proud. Most proud. As a matter of fact, this was the high point of my brief career, to have been able to work with other Members on both sides of the aisle on the Committee on Banking and Financial Services to make this bill a law.

Mr. Chairman, I have one pen, one pen where a President signed a piece of legislation, one letter engulfed with that pen, and that is the pen that the President gave to me when he signed this legislation. I think it is symbolic, Mr. Chairman, for a person who fought all their lives on behalf of poor people to be able to vote and to work on a piece of legislation that this body passed into law to create this particular bill, to create this particular measure.

Mr. Chairman, we can talk about a few Federal employees who might have done the wrong thing and, yes, we should look at them. If they did wrong, then they should be fired. But let me tell my colleagues the other side of this.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. RUSH] has expired.

(By unanimous consent, Mr. RUSH was allowed to proceed for 2 additional minutes.)

Mr. RUSH. Mr. Chairman, what my colleagues are attempting to do right now is to stop a young businessman in my community right now who is struggling. He is a successful entrepreneur, has a clothing store, Jacob's Store for Men, he has been located on 79th Street in my district for about 5 years, and he has been a success. He has got five employees, all working people with families, and his business has been so successful that he wants to expand. He has gone around to all the major banks in the city asking them, pleading with them, look, I have been in business 5 years, I have got employees, I have got five employees with a family, my business is good, will you give me a loan so I can expand?

Each time, the door has been closed on Jacob and his store for men. Shore Bank is the only one that right now is considering giving this small businessman an opportunity, a leg up, to help expand his business and keep that success going and also in order to make sure that he continues to have families fed because they are in his employ.

This particular example can be multiplied time and time again. I would invite the gentleman from Alabama [Mr. BACHUS] and anybody from the other side, anybody on this floor and in this body, if they doubt the success and the impact of Shore Bank, let me take them into my community. Let me have them walk down the streets of South Shore and look at the apartment buildings where they have invested their moneys and turned apartment buildings around. Let me take them to the factories where they have helped factory workers.

Do not throw the baby out with the bath water. If my colleagues have a problem with how this program is being run, let us correct the problem. Let us not target South Shore Bank because that is what it is all about, is South Shore Bank. Do not target South Shore Bank. Let us solve the problems and keep this money and keep this budget and keep this agreement alive.

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

Mr. Chairman, as I indicated earlier, much of this information and these expressions of concern were not available to the committee when we discussed it at the appropriations level and this increased appropriations was recommended. Nonetheless, I am very interested in this program and its potential positive effect on the communities out there. I want to make sure that the committee is doing all that it can to make certain that funds made available by way of an appropriate and objective application process get to the very people we are all concerned about here.

With that, that the committee does want to continue to look very, very carefully, Mr. Chairman, I do not pretend to have the expertise of the people on the Committee on Banking and Financial Services that suggested that perhaps there should be an increase and the budget process did that as well, but I am not sure they had all this information, either.

In the meantime, while I would discontinue my own personal remarks regarding this matter, I would like to yield to my two colleagues here who have been leading the way in connection with this and pursue this to the point that satisfies them as we close down the discussion on this amendment.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. I thank the gentleman for yielding. We are engaged in what I hope is fruitful conversations with the other side of the aisle on this issue.

I think clearly the discussion has centered on some concerns that we have regarding the program. I think statements made by Members of the minority have indicated they too are concerned with some of the aspects of

the program. I would be agreeable to creating a mechanism by which we freeze, or at least accept, the $50 million offer on our amendment if we would have within the next 90 or whatever days, until October 1, an investigation, to indicate the problems, a set of guidelines that would be adhered to in future grants. If we can adopt those types of standards as the gentleman from Illinois [Mr. JACKSON] and I have been discussing, if we can discuss those standards, then we would allow the amendment to enact $125 million on completion of those issues.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, the ranking member of that committee rejects that offer. Let me just say that I would certainly advise the members of the Committee on Banking and Financial Services to reject that offer.

I would be supportive of doing everything that the gentleman has talked about, even though I was never contacted about concerns, even though I was never told about an investigation, even though I was never in any way brought into this. I am perfectly willing to expand the investigation, to go beyond even where the chair of this subcommittee has gone in an effort to find out what happened. But I would want the $125 million that was appropriated by the Committee on Appropriations to remain intact and only if the investigations reap the kind of information that shows that there has been fraud, there has been absolutely wrongdoing, then I would join the gentleman in reducing the amount. But not the offer that has been made, no.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time for just a moment, I might suggest that what is really being discussed here in good faith on the part of all the parties is the prospect of developing language that could fit into a manager's amendment as we go to the conference on this matter. I would not want to reject that out of hand.

I would hope no one would who is concerned about making sure these moneys get to the people that we would intend them in the first place. I did not know about these questions in depth when the Committee on Appropriations worked on the bill as well.

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, let me stress that this is not about mischief, this is not about giving demerits. This is about willful intent. This is about misconduct. This is about trying to mislead Congress and, therefore, the American people in our oversight. This deals with the highest officials at CDFI.

What I am saying is, enough is enough. How can we increase funding for a program that has fought oversight and has significant problems? We can clear this up, and I do not know if it is 30, 60, or 90 days, but the Treasury Department has to get out of denial.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

Mr. BACHUS. If the gentleman will continue to yield, as the chairman of the Committee on General Oversight and Investigations, we cannot have oversight as some cat and mouse game where we have to ask the right question in the right way. If we do not, we get a misleading answer, we get no answer, or we get a promise of an answer. This is serious. We owe the American people oversight, and also we owe them an honest process of awarding these grants.

Good recipients, good intentions, but we also have to have an honest, open, good process of making these awards. I will simply say that we have got to address this problem. It is a problem that we have and the administration has, and it has to be addressed and it cannot be glossed over.

□ 1815

And, as my colleagues know, my patience is being tried on this, that we do not really have a problem or this is all politics when we have the creation of these documents against legal advice.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate it, and let me just say that I from the onset I think helped set a tone here with regard to not attempting to defend actions where individuals manufactured papers to present to the subcommittee, and I think we are of one mind with regard to resolving that, wherever it leads. At the same time, I do not think that we would for a problem in an arms program disarm the soldiers, and I think that is the concern we have when we see the pleading with people like the gentleman from Illinois [Mr. RUSH] and others, and I would just say that we are of one mind with regard to this, and this is an issue included in the budget negotiations which most of us were not part of. I trust that maybe our colleague, the gentleman from California [Mr. LEWIS] and he says no.

So I think, as we go forward, I think the understanding is that we have gained some, I think a major concession here today in terms of this, if that was the concern. I do not know that my support was ever lacking with regard it, but if we could go forward with this, with this understanding that if these questions or criteria that our good friend from Florida has articulated are not satisfied in the sense of before the closure on this particular bill with regard to conference, then I would think that there would not be the support evidenced in the House, and we would agree.

So I think that is; I mean if we in fact now choose to in fact adopt an amendment that would substantially limit this and truncate the program, there would be no opposition to negotiate based on what is a subcommittee action.

Senate, I might say at this time, and I appreciate the gentleman yielding, but that is the dilemma. So if we could get with this understanding that I think we have from the gentlewoman from California, the gentleman from New York, and myself and others, I think we would be fully in support of resolving the questions with regard to the criteria outlined from the gentleman from Florida.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I believe we are getting close to the point of coming to an agreement that will cause the gentleman from Ohio [Mr. STOKES] and myself as we go to conference on behalf of Members of the House on both sides of the aisle who are concerned about a very important program being dealt with in a straightforward way with objective standards and so forth; when those expressions come to us, I think we will be ready to commit that we will carry that voice to the conference. But indeed we have had a very extensive discussion, a very healthy discussion, I think.

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

Mr. LEWIS of California. I yield to the gentleman from New York, and then we will go from there.

Mr. FLAKE. Mr. Chairman, the question I ask is that we have a full understanding of what it is we will be taking to the conference. So on the one level we are hearing that we would agree to $50 million, and then we would have this interim period between now and October 1, at which we would do an analysis of those issues which are outstanding, while in the committee print we are talking about $125 million where we would do that analysis, and if that analysis proves that all things are all right to move forward, then the whole 125 would kick in as of October 1, the new budget cycle.

Am I correct in that understanding, or am I incorrect?

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. As I understand, I think part of the budget agreement was funding at $125 million. I do not think any of us anticipated on this side of the aisle or on that side of the aisle that we had the problem that we now know we have. The Secretary of the Treasury can address this problem and take immediate action, and he needs to set a standard over there, and he needs to, quite frankly, punish those who have done wrong. And as my colleagues know, I think we can commend to him, he can take action, and we can get this program back on track.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

Mr. LEWIS of California. I yield to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS. I do think he has a role to play, and he needs to play that role. And the agreement that my colleagues have outlined I think is our agreement, but I just hope they are as serious as we profess to be about this.

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

Mr. LEWIS of California. I yield to the gentleman from New York.

Mr. FLAKE. Mr. Chairman, my understanding that what we are agreeing to is that it would be full funding as of October 1 if those issues are resolved?

Mr. BACHUS. Mr. Chairman, if the gentleman from California [Mr. LEWIS] will continue to yield, those problems need to be addressed, and they need to be taken seriously, and there needs to be serious action taken.

Mr. FLAKE. We agree with the gentleman. I do not think anyone over here has disagreed.

Mr. BACHUS. Then we have an agreement.

Mr. FLAKE. So then the gentleman would actually go with report of the committee based, and then have the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] agree to the language that would, in fact, allow that to kick in, the issues that the gentleman considers to be outstanding are resolved between now and that time.

Mr. BACHUS. That is correct.

Mr. FLAKE. Is that correct?

Mr. BACHUS. That is correct.

Mr. FLAKE. And with the 125, which is in the committee report.

I think we can agree to that.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, the agreement that was just discussed by the gentleman from New York [Mr. FLAKE] that will take us into conference in the way that the Committee on Appropriations had designed with 125, with language that would define the way in which it kicks in, is fine with me. If we can work on that deal and get the specific language, as long as we go in with the amount that the gentleman has put in, then I am satisfied.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I think that I have listened throughout this very lengthy debate regarding this issue this evening, and of course, like the gentleman from California [Mr. LEWIS], I have deferred to members of the Subcommittee on Financial Institutions and Consumer Credit because they are the ones who authorize this program, and they have the expertise with reference to it.

The gentleman from California [Mr. LEWIS] and I, without knowledge of some of the things that have been discussed on the floor this evening, fully funded this program in the amount of $125 million, feeling that the program had the kind of merit that deserved that kind of funding, and we, of course, were not privy to many of the details that have been brought to the floor tonight.

What we would urge all the parties here to do is to accept the recommendation of the ranking member of the Subcommittee on General Oversight and Investigations, the gentlewoman from California [Ms. WATERS]. I say that for this reason. The gentleman from California [Mr. LEWIS] and I are the ones who are going to be in conference. He and I have to try to protect the program and also at the same time be able to accomplish what the chairman of the Subcommittee on General Oversight and Investigations wants to see done, and I have no disagreement with what he wants to see done in terms of the kind of an investigation and whatever action it warrants being taken. But we will seriously jeopardize the program if we do not leave the full $125 million in there.

I do not think that we want to in conference jeopardize the program, so I think what we would want to do is to leave the $125 million in and make it contingent upon the proviso that my colleague has made reference to here this evening.

Mr. BACHUS. Mr. Chairman, if the gentleman from California would yield, or conditioned upon.

Mr. STOKES. Or conditioned upon is fine.

Mr. BACHUS. But let me say this, and I want to reiterate this, what we know and what the IG has described happened over there——

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I believe we are right at the edge of a general agreement here, and if I can, I think this side has been discussing this.

Mr. Chairman, I will yield to the gentleman from Alabama [Mr. BACHUS] for an exchange with the gentleman from Ohio [Mr. STOKES].

Mr. BACHUS. Mr. Chairman, I think that a lot of things have already been investigated and decided, and there is some action that could be taken this week. That is my fervent hope, and I hope the Secretary of the Treasury will show some good faith in setting standards.

But I think we have an agreement.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, let us proceed in this fashion:

I will yield to the gentleman from Florida [Mr. FOLEY] to have him outline what they believe may be an agreement between the parties here, and if it seems to make sense, then the gentleman from Ohio [Mr. STOKES] and I will talk about it.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

Mr. LEWIS of California. Mr. Chairman, I yield to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, I would be agreeable to discussing an amendment that would include the language: ''$125 million would be appropriated for this program pending a full investigation, an objective evaluation of the program now and in the future, the adoption of uniform standards for awarding grants and using an objective numeric scoring system for allocating those grants, that the conditions and the investigation and all that is described be agreed to and met by October 1 or the funds would hereby be reduced to the $50 million as underlined by my amendment pending.''

So we would have $125 million made available for the program pending those conditions, full investigation, objective evaluation of the program now and in the future, uniform standards for awarding grants and using an objective numeric scoring system.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I do not think the gentleman specified by whom the investigation would be conducted.

Mr. FOLEY. Mr. Chairman, if the gentleman from California will continue to yield, I would assume the oversight committee of the House, the Treasury and the Inspector General's office.

Mr. STOKES. I see.

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Let me say this.

I would say to the Treasury Department that they can facilitate this by some prompt action on their part.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. The general points that my colleagues have made are the outline of some kind of agreement that appears acceptable to all of us. My colleague's suggestion about the prompt involvement of Treasury is something I do not know how to frame in this agreement. I hear them, and I do believe that if we adopt or if we accept the general outline, there is a need; Mr. Chairman, Mr. Ranking Member, there is a need for both sides to get together and basically finalize this agreement. The general agreement seems fine. We need to get together, finalize it. If we move forward in that way, I think we have something.

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

Mr. LEWIS of California. I yield to the gentleman from New York.

Mr. FLAKE. Mr. Chairman, I think the only thing I would argue, and I am in total agreement, but it would seem to me that in order for this to work, Mr. Chairman, it is imperative that the chair of the Subcommittee on Oversight and Investigation and the ranking woman on that committee get together and come to an agreement on what the specifics are that they are investigating, and when we come to that agreement, that is what they both will be looking for, which of course implies that they will have to work together to make it happen.

I think we can all agree to this, I think it makes good sense, I think it moves it forward, and I certainly want to thank my colleagues for having the kind of spirit for wanting to work through this because I think it is an important piece for the gentleman from Ohio [Mr. STOKES] and the gentleman from California [Mr. LEWIS] who I think will do their very best to assure that it is funded, and I only argue that it can only be done in a bipartisan fashion as it was from the very beginning.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, could I get the attention of the gentleman from Ohio [Mr. STOKES] for just a moment?

I am thinking that have it might make sense for the gentleman from Ohio and I to agree to ask unanimous consent to set this aside, this matter aside, until 7 o'clock, in which these parties will come back with language and will revisit this item and agree upon the language or not. If we agree upon it by unanimous consent, we can include it in this amendment and eliminate the money problem and move forward. If we cannot by then, then we will just have an up or down vote on the amendment. What does the gentleman think about that?

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The CHAIRMAN. The Chair would suggest that it might be in order for the gentleman from Florida [Mr. FOLEY] to request unanimous consent to withdraw his amendment without setting a time certain for its being reoffered. The Committee could continue with the deliberation on the bill, at which time, when ready, the gentleman from Florida could resubmit an amendment, properly worded in writing.

Mr. LEWIS of California. Mr. Chairman, this gentleman only knows of one other amendment. I would love to have the Members get their work done no later than 7 o'clock. In the meantime, I think the Chair's recommendation is a very good one.

Mr. FOLEY. May I inquire of the Chair, will my amendment as currently being considered be allowed to be made in order and a part of the bill if I withdraw my pending amendment?

The CHAIRMAN. The Committee is at the end of the bill now. The gentleman may still offer an amendment at this portion of the bill, if properly modified, or the same amendment again.

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

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, I believe we have an agreement here. I believe if we spend an additional amount of time to take advantage with each other in a written document, we have a good faith agreement to investigate this. I think we have all acknowledged that it is serious, and we have a framework that this appropriation is going to be conditioned upon our investigating, and Treasury making us a full report and making some standards and setting up a good procedure.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, based upon the chairman's statement, is the chairman saying that he would withdraw his amendment at this point? Exactly what is he willing to do?

Mr. BACHUS. I think from a technical standpoint, that is what I will do. I am relying on the good faith of Treasury, and we are going to go forward with this investigation. I would hope that they will simply acknowledge this misconduct, which I think the IG has, and that this program gets cleaned up.

Mr. STOKES. If the gentleman will continue to yield, I would just like to say that I appreciate very much the approach taken by the chairman, and I think both the gentleman from California [Mr. LEWIS] and I, in deference to the fact that the gentleman is willing to withdraw the amendment, will certainly be willing to work with the gentlewoman from California [Ms. WATERS] and the gentleman from Alabama [Mr. BACHUS] and others relative to the type of an agreement that has been discussed openly and, I think in essence, agreed to on the floor.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, the amendment is the amendment of the gentleman from Florida [Mr. FOLEY], and he would have to withdraw his amendment. I believe the gentleman wants to have a clear understanding between both sides that there is a strong expression of concern about procedures that have been involved here. They want to make sure that future applications are carried forward with some objective standards, et cetera, that which we have discussed on the record.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. I want to make certain. I will withdraw the amendment. I want to make certain this language is attached to the bill as I read and outlined, that the $125 million appropriation will be conditional upon a full investigation by an appropriate body, objective evaluation of program now and in the future, that the uniform standards for awarding grants using an objective numeric scoring system is included; and the final thing that I did not add before, that anybody found guilty of a violation of law as a result, a violation, would be dealt with appropriate to law.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin, the ranking member of the committee.

Mr. OBEY. Mr. Chairman, let me start by stipulating I know virtually nothing about this program and I have no stake in it. I would like to see the agreement worked out that we have just heard.

I think our concern, I want to make sure that the gentleman from Florida [Mr. FOLEY] has an opportunity to put the concept before the House that has just been agreed to in principle. The concern, as I understand, is that we need time to work out the language between these two gentlemen, because they know the ins and outs of this better than anyone else. I think the gentleman from Florida [Mr. FOLEY] needs the assurance that we are willing to allow that concept to come to the floor, but we need to understand that that is subject to agreement on the exact language. I do not think there will be a program. The reason we need the time is because we are not certain that the language works. That is the point.

Mr. BACHUS. If the gentleman will continue to yield, Mr. Chairman, I would be more comfortable with these two gentlemen working out that agreement, as opposed to oversight.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I yield again to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, I want to know I have some assurance. Otherwise I will press my amendment that is pending at the desk, and allow the gentleman to perfect an amendment that will come back to me, in my direction. I preserve my right to have a vote on my amendment.

Mr. STOKES. If the gentleman will continue to yield, Mr. Chairman, I have absolutely no reservations about being willing to work with the gentleman and the gentleman from California [Mr. LEWIS] toward working this agreement out in a satisfactory manner based upon what I think in essence is being agreed upon here between the respective parties on the floor.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to speak for 5 additional minutes.

The CHAIRMAN. Prior to granting the gentleman's unanimous-consent request for an additional 5 minutes, the Chair needs to make certain that it is clear that the gentleman from Florida [Mr. FOLEY], upon obtaining unanimous consent to withdraw his amendment, could offer another proper amendment and the right to offer that amendment would be in order.

However, the Chair must also indicate to the gentleman, without any anticipation that it would occur, that it could be legislating on an appropriation and be subject to a point of order if in fact the point of order was raised and which would not be waived in advance.

The gentleman from California [Mr. LEWIS] has requested an additional 5 minutes.

Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I would say to my colleague, the gentleman from Ohio [Mr. STOKES], I believe we have in essence an agreement between the two sides regarding an outline of that which they would like to have discussed with the administration and reviews that should go forward, et cetera, between now and the time we go to conference. I would suggest that the gentleman and I are willing to make a commitment that we will carry this message forward to the conference, and proceed as expeditiously and effectively as possible.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I would just say, I have just consulted with both the gentlewoman from California [Ms. WATERS] and the gentleman from New York [Mr. FLAKE], and they have no objection to the gentleman and I working this matter out on their behalf.

Mr. LEWIS of California. Mr. Chairman, I would ask the gentleman from Florida [Mr. FOLEY], just so it is clear, what we are talking about is that the gentleman from Ohio [Mr. STOKES] and I will be the people in the conference who have listened to this debate thoroughly. We understand the parameters of the agreement between both sides. I think everybody wants to see this program operate effectively. The gentleman has outlined the basics of this. I hear no objection.

With that, with those parameters that are on the record, we intend to carry the gentleman's voice to conference, which is the appropriate place for us next to deal with this, and that, of course, is part and parcel of the gentleman's consideration of withdrawing the amendment. I am not interested in prejudicing the gentleman's amendment per se, but I think the questions raised here are important and we are happy to pursue it.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, clearly it is my intent to obviously make certain that the language I have asked for is agreed to. I would trust the chairman would give me the assurances that what we have discussed would become part of the bill as we move forward on the floor.

Mr. STOKES. If the gentleman will yield further, Mr. Chairman, I have no problem with the basic concepts. There are a couple of questions in my mind that if the gentleman wants to have us reduce this to writing would clarify it. For instance, I posed the question a few moments ago relative to who would conduct the investigation. I think that ought to be clear, so we ought to know who is going to conduct the investigation.

We ought to also have a team framework in there so that under the conditions the gentleman has proposed we do not run into October, and the gentleman expects at that time because the investigation has not been completed there is an automatic reduction down to the $50 million point. I think things of that sort ought to be clarified, and I think as honorable men, we can work those things out.

Mr. LEWIS of California. Mr. Chairman, it is my understanding that the gentleman from Florida [Mr. BACHUS], the gentleman who is chairing this subcommittee of oversight, has suggested that Treasury is very satisfactory to him. But I might suggest further, and the gentleman from Wisconsin [Mr. OBEY] has made by way of background here a very excellent suggestion for our purposes; that is, that we could, in the interim, on perhaps a separate track, have our S&I people evaluate this and in a very short time give us the information we need as we go forward to conference.

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, one thing I want to make clear is there has been some reference here to criminal acts, or anyone prosecuted criminally. The oversight committee does not do that. This Congress does not investigate people criminally. So I certainly do not want anything in this agreement which says that this body in any way investigates people, that we have any criminal goal, because that is not it. I do not want to mislead anybody into believing that I am undertaking any criminal investigation, or that we are going to wait for that, or that we are going to encourage that. That is something else.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, all I was going to suggest is that it was my understanding right now that the only amendment that is in order offered by the gentleman from Florida [Mr. FOLEY] at this point is an amendment without what would be language on an appropriation bill.

If he withdraws that amendment with the assurance that that same amendment could be offered again, he would, as I understand it, lose nothing. And yet if in the time between now and then, the gentleman and the gentleman from Ohio [Mr. STOKES] can work out the language that I think everybody is in general agreement upon, then that additional language at that point could be added because there would be no controversy about it.

Mr. BACHUS. Mr. Chairman, if the gentleman will continue to yield, I think this bill is going to go out of the House presently, tonight or tomorrow. I think what needs to be done is it needs to be added in conference.

Mr. LEWIS of California. Mr. Chairman, the bill will be going out of the House tonight, I am quite sure. Frankly, I think we are receiving instructions here that can take us to conference. In the meantime, I think we ought to make some formal requests regarding investigations. Mr. Chairman, let us move forward.

The CHAIRMAN. The amendment of the gentleman from Florida [Mr. FOLEY] is still pending before the committee.

Does the gentleman from Florida [Mr. FOLEY] seek time to make a unanimous-consent request?

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

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

Mr. OBEY. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent to temporarily withdraw the amendment pending negotiations. If we do not conclude successfully in the next few moments, Mr. Chairman, the language that I believe we have agreed to, then I would resubmit the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. HEFLEY

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

The Clerk read as follows:

Amendment offered by Mr. HEFLEY:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 422. The amounts otherwise provided by this Act are revised by reducing the aggregate amount made available for ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—MANAGEMENT AND ADMINISTRATION—SALARIES AND EXPENSES'', and increasing the aggregate amount made available for ''INDEPENDENT AGENCIES—ENVIRONMENTAL PROTECTION AGENCY—LEAKING UNDERGROUND STORAGE TANK PROGRAM'', by $31,000,000 and $11,210,700, respectively.

Mr. HEFLEY (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 Colorado?

There was no objection.

Mr. STOKES. Mr. Chairman, I reserve a point of order against the amendment.

Mr. HEFLEY. Mr. Chairman, I rise today because I have LUST on my mind. I think the American people are concerned about LUST as well. Of course, when I say LUST, I am talking about the Leaking Underground Storage Tank trust fund, or LUST, as the program is called.

As the gentleman from California knows, the LUST program provides cleanup resources for environmentally hazardous leaking underground storage tanks that have been abandoned, or where the owner cannot afford to clean it up. The money in the trust fund was incurred through a sales tax on motor fuel, and most of it goes directly to the States for cleanup.

Recent estimates calculate there are over 165,000 of these sites across the country.

□ 1845

That does not include the ones that have yet to be discovered. These contaminated sites are located in both urban and rural areas, areas where our groundwater comes from or mainly where our children play.

By increasing the funding level up to the President's request, and I would make a point of that, Mr. Chairman, that I am talking about increasing the funding level in this environmental program to clean up the underground storage tanks to the President's request of $71.2 million, we can continue the progress we have made in cleaning up these sites. And I think every Member of this body would want increased funding for contaminated environmental cleanup back home in their districts.

The money would come from a decrease in the committee request for HUD's management and expenses account. When the House voted overwhelmingly to pass H.R. 2, the Housing Opportunity Act, it was under the guise of a smaller HUD bureaucracy, yet we have increased HUD's M&A account by $31 million in this bill. I realize sometimes there are costs involved with downsizing and devolution, but I think most of us would agree that only in Washington does it cost more to get less.

Finally, Mr. Chairman, this amendment gives us the opportunity to do two things we have promised the American people. First it takes money and power out of Washington by giving it to the States and, second, it provides more money for direct environmental clean up rather than further burdensome regulation.

I urge my colleagues who voted for housing reform and consider themselves to be environmentally conscious to support this Hefley amendment.

POINT OF ORDER

Mr. STOKES. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. STOKES. Mr. Chairman, I make a point of order against the amendment.

I make a point of order against the amendment because it increases an appropriation for an unauthorized program, thereby violating clause 2 of rule XXI. Clause 2 of rule XXI states in pertinent part: ''No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law.''

Mr. Chairman, the authorization for this program has not been signed into law. The amendment, therefore, violates clause 2 of rule XXI.

This particular rule, Mr. Chairman, protected the paragraph in question during the reading of the bill, but that point is past. This situation is identical to that raised on the amendment offered by the gentleman from Minnesota [Mr. VENTO]. Had he been permitted to consider his amendment, I would not now be making a point of order. Since he was not allowed to, I must insist on my point of order.

The CHAIRMAN. Does the gentleman from Colorado [Mr. HEFLEY] wish to be heard on the point of order?

Mr. HEFLEY. Yes, Mr. Chairman.

Mr. Chairman, I would agree that I think it is a shame that we got through that section this morning, and it surprised a lot of us on how quickly we went through that. There were some good amendments that were not able to be considered. So we went to the legislative counsel and had our amendment restructured. We hoped it would be taken care of and would take care of your concern about the point of order.

Also in the bill on page 51, beginning with line 9, it says ''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.'' What this tells me is that this is authorized and, as such, the point of order should not be granted.

The CHAIRMAN. The Chair is prepared to rule.

Under the precedent of July 12, 1995 cited on page 142 of House Practice, as followed and enunciated a few moments ago with respect to the amendment offered by the gentleman from Minnesota [Mr. VENTO], the Chair sustains the point of order under clause 2(a) of rule XXI. The gentleman from Colorado has not cited a current authorization.

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

After this discussion and debate, it is good to rise to enter into a colloquy that concerns an issue of great importance to the veterans in my State but that also honors my predecessor, Sonny Montgomery and I hope this will lead to some work that will complete an effort that he began. That is the Sonny Montgomery VA Medical Center in Jackson, Mississippi.

I would like to ask for the support of the chairman in working with the administration in our efforts to collocate the Jackson, Mississippi Veterans' Affairs Regional Office and the G.V. ''Sonny'' Montgomery Medical Center. With this consolidation of facilities we can provide one-stop service to our veterans and also save taxpayer dollars.

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

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

Mr. LEWIS of California. Mr. Chairman, first I very much appreciate the gentleman bringing this matter to our attention. We are all more than aware of the fantastic contribution his predecessor, Sonny Montgomery, made not just to the entire House but especially to the veterans of America.

I believe that he and I can work together on this matter he has brought to my attention and to ensure better service to our veterans throughout the Southeast, but especially to Mississippi.

Mr. PICKERING. Mr. Chairman, I thank the gentleman.

I would like to add that if we finalize the collocation of these facilities, it will require that we finish the construction of the third floor of the VA Regional Office in Jackson. The VA estimates that it will require approximately $1.45 million to finish the construction of the third floor in this building.

Mr. Chairman, the VA is currently paying $590,221 annually to rent the equivalent office space in this area. It is because they have failed to complete the construction of the third floor. The VA projects the completion and collocation would pay for itself within five years and provide savings over $500,000 in the years following.

By ensuring the completion of this project, we not only fulfill our pledge to our veterans but we will better serve the taxpayers by being good stewards of their money. Mr. Chairman, I believe this project just makes good business sense.

Mr. LEWIS of California. Mr. Chairman, one more time, if the gentleman will continue to yield, we very much appreciate the gentleman's leadership in this area. I certainly will join with the gentleman from Mississippi in working with the administration on this important project.

Mr. PICKERING. Mr. Chairman, I thank the gentleman. It is my understanding that since this project is under $4 million, the administration can move forward on its own. I ask the gentleman to encourage the VA to do so and for his continued oversight and support to complete this project.

Finally, part of this facility, as I mentioned earlier, is named in honor of my most distinguished predecessor, G.V. ''Sonny'' Montgomery. He has been known as ''Mr. Veteran'' throughout his career, and the completion of this work, the completion of this facility will provide for the welfare of the

veterans that he so loved and will also allow us to honor his example and his legacy.

Once again, I thank the distinguished chairman and appreciate his time and support.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wanted the House to know that my striking the last word was not an indication that I had any additional amendments. To my knowledge there are no more amendments on this measure.

But I did want to take a few moments, while some of our other colleagues are working out some details, to review where we have been during most of today, a short part of yesterday. I must say that in my experience in the Congress, I have never quite experienced before a process like the one I have been through with my colleague the gentleman from Ohio [Mr. STOKES] this year.

As we indicated in both of our opening remarks, we deal with a very complex and very difficult bill. It is an item that has more discretionary spending than any pool of money around the Congress, outside of that money that is available within the Subcommittee on National Security. We are talking about in the neighborhood of $70-plus billion.

We are dealing with major problems and programs that relate to veterans' medical care, as we have discussed extensively. We have all of the housing programs that affect the elderly and the disabled, the poorest of the poor in our country. And we are doing what we can to see that the monies available are handled in a way that they are most responsive to those individual citizens in the communities where they live and where they work.

Beyond that, of course there are some magnificent things that are a part of our committee's work, that are demonstrating the success of America at this moment. Those Americans who have been watching our mission to Mars are one more time not just excited but absolutely overwhelmed with the capability of our leadership and NASA and their work in developing that foundation that allows man's reach into space.

I am fascinated to look further at the science that is coming out of many of those programs. Few people take the time to really focus upon some of the results that take place, but time and time again in our missions to space, within space station, what we have learned by our space shuttle efforts, certainly what we are learning on Mars, we are making phenomenal breakthroughs that affect not just science and technology in an esoteric way, but in a dramatic way impact our ability to affect the health of our people, the improvement of our ability to deliver effective medicine and programs of medical health to our citizens. Truly, within this mix that is this complex bill, some great things are happening.

All of this I frankly believe is possible in no small part because the gentleman from Ohio [Mr. STOKES] and I have been able to move forward, not necessarily agreeing 100 percent on every issue or every dollar available, but recognizing that the final solutions are for the benefit of the American people and we both have that commitment in mind.

So I wanted to close my remarks and comments regarding this bill by expressing one more time my deep appreciation to the gentleman from Ohio [Mr. STOKES], to his entire committee, Members from his side of the aisle on the committee, but also their very fine staff who have been more than responsive to our efforts. It has been a nonpartisan effort on behalf of all of us, and I want the House to know that we all owe a debt to my colleague the gentleman from Ohio [Mr. STOKES].

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

Mr. Chairman, let me take just a moment, as my distinguished chairman has taken, to sort of summarize where we are after having begun this bill some time early afternoon yesterday. I think anyone who has watched these proceedings since we began this bill yesterday will recognize what both the gentleman from California [Mr. LEWIS] and I have said, and that is that this is a tough bill. It is a very difficult bill. I think they also will be able to see why the gentleman from California [Mr. LEWIS] and I felt it so important to work together on a bipartisan basis to bring this bill to the floor and be able to try and get through all the debate on the floor and bring it to a final conclusion.

One of the things that has made our job a little easier is the fact that the gentleman from California [Mr. LEWIS] and I not only have a very personal relationship as colleagues in this body but we are personal friends. It is a relationship that we both enjoy, and the fact that we have utilized that friendship and that respect for one another as colleagues to work together to bring this very important bill to the floor is the culmination of several months of very difficult work to produce the bill. It could not have been done without the cooperation of the gentleman from California [Mr. LEWIS] and the very fine staff that he has on the majority side, and through the cooperation we have received from both the gentleman from California [Mr. LEWIS] and from his staff, we have been able to bring this bill to the floor.

The President has indicated, as we brought this bill to the floor, that he felt this was a good bill and that it was one that he would be able to sign. I think the President hopes that in conference we will be able to improve some of the areas of the bill, and we hope that as a result of the conference we will be able to bring back to the House an even better bill.

In those areas where we, the gentleman from California [Mr. LEWIS] and I have had differences, I think Members can see that those differences have been one of degree and that where we disagree, we have done so without being disagreeable. But this is a good bill, when we talk about a bill that is aimed toward improving the conditions of life of veterans and for persons living in public housing, for persons who are dependent upon our great sciences through NASA and through the National Science Foundation, Consumer Safety Protection, some 22 agencies of the Federal Government that receive their funding through this particular bill.

□ 1900

This is an important bill and one that I hope the whole House will tonight vote upon and give us a good vote to go to conference in.

In conclusion, I would just once again say to my good friend from California [Mr. LEWIS] what a pleasure it is to work with him on these matters.

And I also want to express my own appreciation to the minority staff. They have done an excellent job in helping those of us on the minority side of the committee to be able to perform our functions.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I would ask the gentleman from Florida [Mr. FOLEY] to come up here, because we are ready to close this down, and the gentlewoman from California [Ms. WATERS] may want to listen as well.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota if he is going to say some nice things about the gentleman from Ohio.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman's yielding to me, and I was going to say some nice things about the gentleman from Ohio [Mr. STOKES] and about the gentleman from California [Mr. LEWIS] and their work on this.

We have had during the day here some disagreements on some of the housing issues and so forth, but it really is helpful, given the parameters in terms of the housing and the other programs on the environment that we have moved forward on this bill.

Obviously, one of the issues here that is outstanding is the CDFI issue. And I am wondering, because the language is difficult, what the effect would be on the chairman and the ranking member if, for instance, the principals involved here were to come with correspondence to the chairman, given the circumstances.

Because I think what the purpose here of this language is is to try to add guidance to the subcommittee chairman and to the ranking member as to

the conditions for the Community Development Financial Institution issue that has been raised.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, we are lacking an agreement at this moment. The other side has felt, and I probably would tend to concur, that we cannot arrive at sufficient language at this time. So I would be prepared to recall my amendment at the desk, the original amendment, and have an up or down vote on it.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, we have spent so much time going through this that, in other words, to keep the option open on the dollars available. I agree generally with the gentleman that is the impetus of this, but I think there is concern about the crafting of it and putting it into language that would potentially be statute.

If I could keep the attention of the gentleman from Florida [Mr. FOLEY] for a moment. If we could come up with correspondence that would in fact take the sentiment and the impetus of what the gentleman from Florida has put forward and cosponsor or sign that as correspondence to the appropriation leadership in our body, that would, I think, serve the purpose.

I understand it is not the type of victory of getting something into legislation, but it has the impetus and, more importantly, I think is the accomplishment the gentleman from Florida has wanted in terms of gaining the type of understanding and concern from Members like myself and others tonight with regard to that.

Without the dollars we are not really in a position to, in fact, live up to what had been the budget deal that not many of us were involved, but it keeps that alive and would accomplish the goal the gentleman wants. Perhaps not in the same framework, but it would accomplish what he has brought forth tonight.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, I would ask the gentleman from Florida [Mr. FOLEY] if he wishes to respond.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, we started out with something very simple. We were willing to allocate another $50 million for the appropriation for this program. We have significant concerns. We laid out what I thought was very simple language: investigation, enumerating guidelines for the agency. I did not think anything was so complicated that we could not agree and insert it in the bill as language.

I have been told, no, we do not know who is going to investigate, who should investigate, what sanctions may be meted out. We cannot get people to agree. The White House is not in the room so we cannot negotiate for them.

So, quite simply, I am trying to protect what I believe is my right on an amendment to say $50 million is as much as I am willing to go at this time until we clear up these issues. Now, again, if I could get the assurances and we can add this amendment as I drafted and as is in the record.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, my concern is that the gentleman can press his amendment, however, it may or may not pass. Nonetheless, it does not do the job of getting this question to the conference in the way that I think the gentleman wants to get it there.

I believe there is agreement on both sides of the aisle that, if the gentleman will work out a letter together or separately, that between the gentleman from Ohio [Mr. STOKES] and myself we will in good faith take this matter forward to the conference. I think that is a very important step, but I would not lose it lightly.

So I am suggesting to the gentleman that maybe there is a better way in terms of really making the point I am trying to make here instead of pressing the gentleman's vote.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I thank the gentleman for yielding to me. I appreciate the gentleman's offer to withdraw. We are stuck on whether or not we are going to have specificity in language or whether or not we are all generally agreed and we trust our leaders to do the work.

We really do trust not only our ranking member but we trust the chairman. If it is one thing that I have heard here this evening, it is that two Members, one Republican, one Democrat, one ranking member, one chairman, talk about their relationship, how well they have been able to work together, how well they have been able to resolve differences. We place full trust and confidence in our ranking member and then, across the aisle, this chairman that has demonstrated on more than one occasion not only his willingness to work out problems but certainly his expertise and his leadership in doing it.

So I would ask both sides of the aisle to join with us and place our trust with these two Members to go to conference with general direction to resolve this in the best interests of the people that we all want to serve and the beneficiaries.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I confess I am eager to get this resolved so that the chairman of the committee and I and a few others may retire to another part of the Capitol complex, having not been able to get there today.

The point I want to make is this. I have been persuaded that disciplinary action might well be appropriate. What I worry about is, given constitutional doctrines that apply, if we get too explicit in legislation directing the administration to take either law enforcement or administrative disciplinary action, the potential disciplinee could claim legislative interference.

I think it is very clear many of us will urge that appropriate disciplinary action should be taken. But if we start mandating that in legislation, we start doing the potential victim a favor, because we will start seeing due process arguments about inappropriate intervention.

So that is another reason I think for going at this in the way that would be suggested, I hope, by the chairman.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, the gentleman has made a very important point, and we will take that into consideration as well.

I would be interested in the comments of the gentleman from Florida regarding my suggestion that direction to the conferees is very important by the chairman and myself, and I am not sure the gentleman wants to lose that.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. I am compelled, Mr. Chairman, to take the chairman at his word. I believe the chairman is looking out for the best interests of what I am attempting to do.

I have heard from the gentleman from Ohio, who I respect as well, who has given assurances that we will deal with this issue in conference; that we will seek an appropriate investigation; that we will get answers to these questions; that we will devise a scoring system for this agency that will result in the appropriate granting of aid to these well deserved groups.

And given the assurances of both chairmen, and what I believe to be the agreement of the gentlewoman from California [Ms. WATERS] and others who have been party to this long discussion regarding this agency, I would withdraw my amendment; I would agree to the terms specified by the chairman; and I would hope that this effort to move the bill will result in the things that I, the gentleman from Alabama [Mr. BACHUS] and others feel most appropriate.

We do not back down lightly, because I feel there have been significant violations; that we have failed to identify appropriately funds that have gone to agencies without documentation; and I would suggest that Treasury would be very interested in pursuing these charges. I believe they are. I do not believe anybody is trying to stonewall this investigation.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I just want to take a moment to commend the gentleman from Florida [Mr. FOLEY] for the manner in which he has pursued the arguments related to his amendment here this afternoon and throughout the entire debate.

I think it has been evident to all of us that what he is attempting to do is to bring the kind of quality to the program and the kind of credibility to the program that would enable us to have full faith and confidence that the program is being run as it was deemed to be run when Congress enacted it. I think all of us join with him in wanting to see any type of wrongdoing eradicated and this program put once again back on the type of track it should be.

I want to give the gentleman my full assurance that I will work with the gentleman from California [Mr. LEWIS] in every respect to carry out the gentleman's wishes and desires with reference to settlement of this matter in accordance with the gentleman's understanding with the gentlewoman from California, the gentleman from New York and the other members of the Committee on Banking and Financial Services, and I will do everything I can to see that we have settled this matter in a way that the gentleman will be comfortable with.

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman from Ohio and the gentleman from Florida. I appreciate the efforts that he has put forth here, and I want to say to the body in my closing comments that earlier in the day today we found ourselves moving very, very expeditiously through this bill. In fact, everybody was astonished, especially the chairman.

Having said that, we have taken a good deal of time on a matter that all of us now understand to be very, very important to the development and the success of a very important program. Because of that, the time used was extremely valuable, I believe, and I appreciate the cooperation on both sides of the aisle.

It is clear that this too is an issue that does not have a partisan concern but, rather, bipartisan interest on behalf of those people who would be recipients of this program.

The CHAIRMAN. If there are no further amendments, the Clerk will read the final three lines of the bill.

The Clerk read as follows:

This Act may be cited as the ''Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998''.

Mr. REYES. Mr. Chairman, I rise in opposition to the committee report accompanying the VA–HUD appropriation bill because it contains report language that would delay the continued implementation of VERA, the veterans equitable resource allocation system. VERA provides for veterans health care to be allocated according to locations and concentrations of veteran populations. The committee report language does not allow for the allocation system to go forward, and thereby prevents health care dollars from being distributed fairly and evenly.

Essentially, over the last two decades there has been a major shift in veteran populations with more and more veterans settling in the South and West. El Paso, in the 16th District of Texas which I represent, is part of the southwest network, Veteran Integrated Service Network 18 which includes Arizona, New Mexico, and west Texas. El Paso has over 70,000 military retirees alone, and is comprised of up to 56,000 veterans at any one time. Moreover, Texas as a whole, has the second largest veteran population in the country. The El Paso and Texas Veteran populations clearly reflect the substantial shift of veteran populations in this country to the Southwest.

VERA provides the mechanism for the Veterans Health Care Administration to look at these changes in the demographics of veteran populations and determine where resources should be allocated. As veterans move across our country, so should resources to support the health care needs of veterans. Without these additional resources to address greater needs, our facilities are strained, and accessibility and quality of care goes down.

Resources for health care must move as our veterans move. Unless this committee language is removed, vital veteran health care resources will not flow and track this movement in veteran populations. This will result in overcapacity and underuse in some areas, while desperately needed services for veterans like those living in my district will be strained.

This is not a matter of politics or partisanship, but rather a matter of equity and fairness. Veterans where ever they are found, are entitled to the healthcare that our country promised our men and women who sacrificed on behalf of our country. In addition, we must recognize the real and significant shifts in our Nation's populations. Unless resources are distributed to reflect this reality, insufficient resources will be dedicated where needed, and we will fail in our obligation to our Nation's veterans.

As a veteran, and a member of the Veterans' Committee, I urge your support for this change in committee language. Let us do what is right for all veterans, and allow the equitable allocation of these limited resources to take place.

Mr. ROTHMAN. Mr. Chairman, today I rise to express my concerns that the Appropriations Committee failed to grant the President's request for increased funding for Superfund cleanup in the VA/HUD independent agencies appropriations bill. The proposed increase of $650 million was agreed to as part of the balanced budget resolution. It would enable communities across our country to expedite the cleanup of hundreds of hazardous waste sites, which are threatening the health of our residents.

In my district alone, there are 9 Superfund sites and roughly 1,000 known contaminated sites. A suburban area as densely populated as northern New Jersey cannot handle any further delays in cleanup. While we are already doing all we can to live with, and clean up, the contamination in our region, we cannot afford to delay cleanup any longer.

As a result of the committee's failure to appropriate this additional funding, the EPA estimates that 120 cleanups around the country will be delayed indefinitely. The President had proposed initiating cleanup at 200 sites in fiscal year 1998, and to complete the cleanup of 500 sites by the year 2000. Unfortunately, the committee's failure to fully fund the President's budget request will mean that work will begin at only 80 sites next year, even though the other sites are ready to be remediated.

One of the sites on the President's priority list for cleanup is the Industrial Latex Corp. site in Wallington, NJ. This site, which is highly contaminated with PCB's and other hazardous materials, is located in a densely populated residential area in my district. Local children have used the site as an ill-advised playground, and numerous fires have occurred over the years at the site. The first phase of the project, demolishing the buildings and removing buried drums and vats, was competed in November 1995. And the design for the second phase of the cleanup, treatment of the contaminated soil, is also complete.

The contract for final cleanup of this site is ready to go out to bid. However, if we fail to fulfill the budget agreement's requirement to provide additional funds for Superfund cleanup, the residents in Wallington, and in hundreds of other communities across the country, will continue to be threatened.

I strongly urge all of my colleagues to work to include this increased funding when the bill goes to conference committee. It is critical that we help the millions of Americans living near these hazardous sites to improve their quality of life and improve their surrounding environment. These sites need to be cleaned up as quickly as possible to remove the serious health risks facing these residents.

Mr. BEREUTER. Mr. Chairman, this Member rises today to express the reasons for opposition to the amendment that was to be offered by the gentleman from Washington [Mr. NETHERCUTT]—to disregard report language included in the fiscal year 1998 VA–HUD appropriations bill pertaining to the veterans equitable resource allocation [VERA] system.

Because this Member had filed an amendment to block implementation of the VERA system in fiscal year 1998, in this House chamber, negotiations this afternoon involving this Member resulted in an agreement regarding a revision to the subcommittee's VERA report language which I had supported. While the agreement will still require the timely completion of a General Accounting Office [GAO] report to study the impact of VERA on the individual veterans integrated service networks [VISN's], the political reality of a vote count permits the House conferees on this appropriations measure to remove that portion of the committee report language funding all VISN's at fiscal year 1996 levels while the GAO study is being done. It is vitally important that this GAO report be completed in a timely manner in order to give the executive branch and Congress time to react to the GAO report findings before the fiscal year 1999 budget preparation season in order to ensure that all veterans receive the best health care possible.

This Member has publicly expressed his concerns about the negative impact that the new VERA system will have on Nebraska and other sparsely populated areas of the country. In fact, this Member conveyed these concerns to the House VA–HUD Appropriations Subcommittee earlier this year during testimony on the VA–HUD and independent agencies appropriations bill.

Mr. Chairman, the VERA plan would provide medical care funding to regions across the country, by employing an allocation formula that ties funding for each of the 22 geographic regions to the number of veterans they actually serve. Such a new system, under the VERA formula, would eventually result in at least a 4-percent decrease in funds for the region that includes this Member's State of Nebraska, with other reductions perhaps forthcoming in the longer term.

Mr. Chairman, colleagues, here is the important point for my region: The VA must provide adequate facilities for all veterans throughout the country regardless of whether they live in sparsely populated areas with resultant low usage numbers for VA hospitals or in large urban areas. A national infrastructure of facilities and medical personnel is needed to serve our veterans wherever they live. This Member finds the prospect of a decrease in quality and accessibility of medical care for veterans in sparsely populated areas to be completely unacceptable. Veterans in Nebraska and Iowa also deserve to have adequate medical services; they must not be neglected or treated inequitably just because they live in a relatively sparsely settled region.

Mr. Chairman, again, this Member expresses his objections to the Nethercutt amendment as originally proposed and reluctant agreement to the change in the subcommittee report language on VERA, but only out of political realism.

Mr. SMITH of Michigan. Mr. Chairman, I will vote for passage of this bill with reluctance.

Congress should not continue to add more funds to appropriations bills that exceed what the administration suggests is needed. This appropriations bill provides $666 million more than the administration requested in their budget.

The bill provides $25.1 billion for the Department of Housing and Urban Development, $8.8 billion more than fiscal year 1997 and $550 million more than the president requested.

The bill represents no solution to the ''section 8'' funding that will be a huge financial challenge in the next several years.

One other area that could well assist the conference committee to reduce appropriations to last year's levels are the substantial reserves now being held as ''contract reserves'' for section 8 tenant-based contracts. The accounting firm Price Waterhouse has audited the reserve numbers. Their preliminary estimate of the net excess section 8 budget authority minus HUD's proposed uses is $7.2 billion. GAO estimates the ''reserves'' could be much higher. We need better information from HUD. Congress should not continue to accept sloppy management in our Government departments.

Mr. RODRIGUEZ. Mr. Chairman, I rise in opposition to language in the committee report accompanying the VA–HUD appropriation bill that would effectively stop the Veterans Health Care Administration from implementing the Veterans Equitable Resource Allocation System or VERA.

VERA is a budgeting change that would allow VA health care dollars to follow the veteran, wherever the veteran moves within the country. Veterans, like the general population, move, and our limited health care dollars should move with them. Under the old system, VA hospitals in areas of the country to which veterans are migrating must treat more patients with the same level of funding.

Veterans in my congressional district are served by the South Texas Veterans Health Care Network. The network serves one of the highest percentages of service-connected veterans, the highest number of low-income nonservice connected veterans, the largest women veterans population, and a very large group of winter Texans. The old formula of funding health care facilities at historical levels plus medical inflation does not account for all of these veterans.

The old system makes no provision for Winter Texans who seek care at local facilities. These facilities must do the work without appropriate funding, straining the resources available to all veterans.

VERA makes sure that the dollars are available to provide veterans in South Texas and other portions of the country the health care services they need and deserve. All veterans must be treated equally regardless where they live in the country.

It is imperative that the VA be allowed to implement the VERA. We must shift the health care dollars to the facilities that are serving these priority veterans. We must allow the health care dollars to follow the veteran.

Mr. VENTO. Mr. Chairman, for many years prior to enactment 1987, I worked to create new Federal programs to provide assistance to homeless people in shelters and living on our Nation's streets. It is the 10-year anniversary of the enactment of the McKinney Act. I was and am proud of the achievement in 1987, but I am deeply troubled that we are still here in 1997 seeking to alleviate the problems of homelessness with still growing needs.

HUD's McKinney Homeless Assistance Program plays a vital role in enabling communities to develop long-term, effective solutions to homelessness.

During the last 3 years, HUD has initiated an array of new policies to address the critical problem of homelessness in the United States. The main points are a coordinated community-based process of identifying needs and building a system to address those needs, and increased funding to give communities the resources needed to build the comprehensive system. Through their notices of funding availability [NOFA's], HUD has begun the process we are legislatively working on as a block grant—to coordinate the community system. However, without solid funding, as the motion to recommit would help provide—the systems will not be as strong, nor will they be able to serve the actual need.

The problem of renewing funding for past grants, one that presented itself in the current round of funding, has proven to be difficult because of the tremendous need just to keep funding current commitments in our communities.

The motion to recommit would add an additional million— * * *

We continue to see increased demand. In its annual survey, the U.S. Conference of Mayors found that 20 percent of all requests for emergency shelter went unmet because of a lack of resources. Emergency shelter requests increased in the 29-city survey by an average of 5 percent, with the requests for assistance from homeless families increasing by 7 percent. On average, people remain homeless for 6 months in the survey cities. The No. 1 reason, among many reasons to be sure, is the lack of affordable housing. And now, with the impact of welfare reform starting to be felt, it is more than evident that we must marshal the necessary resources to keep American citizens off the streets.

I support this motion to recommit and urge its adoption.

Mr. GUTIERREZ. Mr. Chairman, I want to express my disappointment that the Subcommittee on VA, HUD, and Independent Agencies failed to include funding for the Low Income Housing Preservation and Resident Homeownership Act [LIHPRHA] in its fiscal year 1998 appropriations bill.

Although Chairman Lewis and others have raised concerns about the LIHPRHA program, many of these concerns are based on a draft GAO report which has yet to be released. I do not believe it is wise or fair to eliminate funding based upon a report that has not been reviewed by either advocates or critics of the program. I also believe that before voting to eliminate a program, this House should have the opportunity to adopt reforms that respond to the concerns raised. Certainly, before any significant changes or cutbacks are made to the program, we should consider the benefit LIHPRHA has provided to thousands of low-income Americans.

This program has proven very beneficial to many families in the congressional district I represent. In Chicago, transfers of privately owned HUD-assisted housing from tax driven limited partnerships to resident or community-based ownership provides significant benefits to residents and communities. Northwest Towers Apartments, in my district, is such an example. In 1996, the Northwest Towners Residents' Association purchased their building utilizing a capital grant under the fiscal year 1996 appropriations bill. This property is located adjacent to the Chicago loop in a rapidly appreciating area. The purchase of this property by the resident council has preserved affordable housing for low-income residents in a highly desirable neighborhood. In Illinois, six other properties have been transferred to resident council ownership under LIHPRHA with similar success.

In addition, the resident purchase has contributed to the well-being of the community. For example, the Residents' Association has established a Neighborhood Networks Computer Learning Center. The Learning Center is assisting residents who currently are receiving welfare benefits to make the transition to the workplace.

I believe it is important to point out the contributions made by resident and community-based owners to the social needs of residents and the community. The LIHPRHA program has been instrumental in promoting such opportunities. I will urge my Senate colleagues to support this program and would like to work to ensure the future success of LIHPRHA.

Mr. EVANS. Mr. Chairman, I rise in support of H.R. 2158, the VA–HUD-Independent Agencies Appropriations for fiscal year 1998. Although I am concerned about some provisions in this measure, the Appropriations Committee has generally been supportive of many of VA's programs.

My primary concern relates to the provision in H.R. 2158 which specifies a freeze on appropriated dollars for VA health care. As years pass, inflation will erode the value of this funding. Proponents of this appropriation claim that the new scheme allowing VA medical centers

to keep veterans' copayments and third-party collections will replace appropriated funds. In its report, however, the Appropriations Committee notes that the accuracy of each year's estimated third-party collection is unknown. How, then, can we ensure that resources will be available to provide medical care to those veterans who need it?

Nonetheless, the committee notes that there are now tremendous incentives for VA medical centers to increase their collections and that additional funding for health care services is possible if medical centers reduce the administrative costs of collections. I strongly support this view as well as the Appropriations Committee's direction to VA to develop allocation policies that will increase collection incentives. Additionally, I appreciate the committee's commitment to review the subject of collections and incentives yearly.

The committee report points out that VA will be challenged by the necessity to treat more patients at the same time employment levels decrease. Although the Veterans Health Administration has made tremendous progress in its efforts to transition from an acute-care, hospital-based system to one focused on care in an outpatient setting, the committee appropriately notes that these efforts must continue if veterans are to receive the quality service they have earned.

Also of importance is the committee's expressed concern about the Veterans' Health Administration's Veterans Equitable Resource Allocation [VERA] system. The committee appropriately notes that this system could adversely affect the quality and accessibility of care being provided to veterans in Northeastern States and requests the General Accounting Office [GAO] to, within the next 4 months, study and report on the effects of the VERA implementation. I additionally strongly support the committee's direction to the VA to fund all Veterans Integrated Service Networks [VISN's] at least at the fiscal year 1996 level. Although the VERA system may have a great deal of merit, the potential negative effect of this system on certain veterans demands that the system be implemented only after very careful study.

Integration of VA medical centers is another issue that demands very careful consideration. I have urged VA to pursue consolidation of services at the Lakeside and West Side medical centers in Chicago with caution, and the Appropriations Committee expresses similar concern regarding plans for the integration of the VA medical centers at Tuskegee and Montgomery, AL. I support the committee's direction that VA not proceed with this integration until Congress and GAO have had an opportunity to review a detailed plan of the integration which the VA must submit.

In its report, the committee mentions an innovative proposal underway in Detroit, MI, to establish a VA partnership with a private, not-for-profit, highly integrated health care system which will assist VHA's development of a sophisticated, medical information infrastructure. The development of this system is critical to the reorganization of VHA's health care delivery system, and I commend the committee for its support of this effort.

VA's medical and prosthetic research program has long been one of the most highly respected in the country, and I am pleased that H.R. 2158 provides the funding necessary to continue this important research. VA's achievements in this area have benefited not only America's veterans but all of America's citizens, and VA researchers have more than earned the support included in this appropriation. I particularly want to note the committee's instruction that funding for research into Parkinson's disease be increased. Many excellent opportunities for joint research are available which would enable the VA to expand its research into this debilitating disease which affects so many of our aging citizens.

I want to express my support for the committee's comments urging the VA to continue developing a medical research service minority recruitment initiative in collaboration with minority health professional institutions. This important initiative should be a top priority in the Veterans Health Administration. Additionally, VA should certainly comply with the committee's recommendation that Ph.D. research scientists be exempt from potential reductions in the number of GS 14–15 positions in the research program. The loss of these talented middle managers is adversely affecting VA research and must be stopped.

In addition to health-care initiatives, there are several benefit-related provisions in H.R. 2158 which deserve support. For example, the appropriation includes funding for loans to nonprofit organizations to assist them in leasing housing units exclusively for use as transitional housing for veterans following treatment of substance abuse. The measure also includes additional funds for retention of VA staff to improve the timeliness of processing veterans claims and for higher than anticipated contracting costs of the year 2000 computer problem. Finally, I compliment the committee on its continuing efforts to ensure that VA defers further efforts on the Veterans Services Network [VETSNET] program until the year 2000 computer problem has been solved. Because the effects of a VA failure to make the required year 2000 corrections would have a catastrophic effort on our Nation's veterans, this challenge must be met even if other important modernization projects must be delayed.

I thank the chairman of the full Committee on Appropriations, BOB LIVINGSTON, and the ranking democrat on the committee, DAVID OBEY, for their support for America's veterans. The chairman and ranking democrat of the subcommittee on VA, HUD and Independent Agencies have also earned the sincere thanks of the veteran community. I know you were dealing with a very difficult budget situation, and your hard work on behalf of veterans must be recognized.

Mr. WAXMAN. Mr. Chairman, I ask your support for the Pallone amendment to the VA-HUD-Independent Agencies appropriations bill. The amendment would send $650 million to EPA to expedite the cleanup of toxic waste sites.

Mr. Chairman, just last February, the Government Reform Committee held a hearing on the Superfund Program, the Federal program to clean up toxic waste sites. My Republican colleagues claimed the hearing would show it takes more time to clean up Superfund sites now than it did under previous administrations.

But that's not what we learned during the hearing. We discovered instead that the Superfund Program suffered from neglect and hostility in its early years under a Republican administration. We discovered that the Clinton administration has overcome this legacy of neglect, essentially reinventing the Superfund Program, and—most importantly—cleaning up more Superfund sites in 4 years that were cleaned up in the previous 12. Despite these facts, Republicans still criticize EPA's speed in cleaning up toxic waste sites.

Isn't it ironic that with all that criticism about the speed of Superfund cleanups, we now face an EPA appropriations bill that cuts $650 million from the Superfund budget request. That's $650 million agreed to in the bipartisan budget agreement, $650 million allocated to EPA's Appropriations Subcommittee to expedite Superfund cleanups, and $650 million that will be spent instead on special interest projects.

EPA would have started cleaning up 200 Superfund sites next year with that $650 million. Under this bill that number will be cut by more than half. Southern California alone would have seen EPA cleaning up toxic waste sites in Riverside, San Bernardino, Fullerton, Baldwin Park, Monterey Park, and Santa Fe Springs. Instead, this bill will force EPA to play Russian Roulette, picking some sites for clean up and letting the rest wait another year.

Mr. Chairman, 68 million Americans live within 4 miles of a toxic waste site. For the sake of those 68 million Americans, I ask your support for the Pallone amendment.

Mr. BISHOP. Mr. Chairman, I rise today in support of the fiscal year 1998 VA–HUD and Independent Agencies Appropriations Act. I want to commend the committee for working in a bipartisan fashion to craft a good bill with many beneficial attributes. As a member of the Veterans Affairs Committee and an ardent supporter of veterans, I want to speak to this section of the bill. I am pleased that the overall bill provides for an increase in funding for veterans programs. Specifically, the bill appropriates $40.359,576 billion for the Department of Veterans Affairs. This is $273 million more than the fiscal year 1997 level and over $143 million over the fiscal year 1998 budget request.

Over 26 million veterans and their families receive benefits from the Department of Veterans Affairs. This increase in appropriations will assist them in their efforts to improve their lives. When our veterans answered the call in faithful service, the Nation promised to write them a check for certain lifetime benefits. It is the solemn duty of Congress to make sure this check does not come back marked ''insufficient funds.''

In tough budgetary times, I want to commend the committee for its efforts to provide our veterans with necessary benefits to sustain a better quality of life. I share the fervor of Congress in balancing the budget, but not one that fails to adequately provide for our veterans. We cannot attack the services we owe to our veterans. They made the supreme sacrifice for our Nation, and we should repay them and their families in kind with adequate benefits, services, and a due continuum of care.

I am pleased the bill provides $19,932,997,000 for the veterans benefits. This represents a $333 million increase over fiscal year 1997 for the Veterans Benefits Administration. This will provide our veterans with much needed compensation and pension benefits, education and training benefits, and critical housing assistance.

While I applaud the efforts to provide increased funding levels for the Veteran's Benefits Administration, I have some concerns

about the level of funding proposed for the Veterans Health Administration. I believe it represents a serious shortfall for veterans health care. This is one of the most important benefits our veterans receive. It is incumbent upon us to ensure that the veterans medical care delivery system is adequately funded to meet the health care needs of our veterans. I know that the budget includes a proposal to permit the VA to retain third party insurance payments and user fee collections. These funds, estimated to be $604 million by the budget agreement, would be used to account for the shortfall in the budget for veterans medical care. I am a strong proponent of this concept and it is my hope that the Congress will enact legislation enabling the VA to do this. However, if this does not occur, a mechanism must be in place to ensure that we do not experience a shortfall in the medical care delivery system for our veterans. I plan to support the Solomon amendment which would incorporate a ''fail-safe'' mechanism to protect much needed funding for veterans medical care.

We must remain aware of our responsibility to maintain a system that best meets the changing needs of today's veterans. We are dealing with payment for services rendered. Like any contract the government makes, we must do all within our power to live up to. Dollars may be scarce, but we must make this our priority. With this in mind, it is my hope that we can continue to cooperate in bipartisanship to serve those who have so diligently served us. Members of Congress have always been strong supporters of veteran—not only in word but in deed. Let us continue in that vein today.

I urge my colleagues to support this bill.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. COMBEST, Chairman 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. 2158), making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1998, and for other purposes, pursuant to House Resolution 184, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on 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.

MOTION TO RECOMMIT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KENNEDY of Massachusetts. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KENNEDY of Massachusetts moves to recommit the bill H.R. 2158 to the Committee on Appropriations with instructions to report the same back to the House forthwith the following amendments:

On page 24, line 22, strike ''$4,600,000,000'' and insert ''$4,700,000,000''.

On page 25, line 19, strike ''$50,000,000'' and insert ''$70,000,000''.

On page 27, line 6, strike ''$50,000,000'' and insert ''$75,000,000''.

On page 27, line 8, strike ''$30,000,000'' and insert ''$40,000,000''.

On page 30, line 12, strike ''$823,000,000'' and insert ''$883,000,000''.

Mr. KENNEDY of Massachusetts (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

□ 1915

Mr. KENNEDY of Massachusetts. Mr. Speaker, this bill I think deserves credit to both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] and members of the committee and committee staff for the efforts that they have made to come up with a kind of bipartisan spirit here.

On the other hand, I do believe that there is a significant issue that deals with the low level of funding in this bill across the board. The truth of the matter is, we heard a lot of speeches over the course of the last 24 hours as the VA–HUD bill came up. Those speeches pertained, in large measure, to the underfunding of a lot of veterans' programs.

The fact of the matter is, after all of these bills have been passed, after all of the amendments have been contained, there is still $450 million worth of underfunding in veterans' programs.

In terms of the motion to recommit and its specifics that we have called for, we have asked that $100 million be spent on the HUD Community Development Block Grant program as an indication of the kind of underfunding that exists in that agency.

I serve as the ranking Democrat on the Subcommittee on Housing and Community Opportunity, and I can tell my colleagues that we are not funding the housing needs of the people of this country in any way, shape, or form in comparison to what the need is. Specifically with regard to homeless programs, over the course of the last 3 years we have seen homeless programs cut by over $260 million; $260 million.

I challenge any Member of the Congress, any Member of the House to go to his home district and go visit a homeless shelter. Homeless shelters in the middle of the summertime are generally empty. This is the first time in the last 20 years where, in almost every congressional district across the country, you go into homeless shelters today and you are going to find them chock-a-block full of homeless people, homeless families. We have simply not provided the kind of funding that is necessary to provide for those homeless families.

We say that we want a balanced budget. I want a balanced budget, But I do not want to balance the budget on the backs of the poorest and most vulnerable citizens of this country; and that is, essentially, what this bill does.

We have seen a recognition that we want to, as a Nation, and I see the Speaker talk about the fact that he wants to rebuild Washington, DC. If my colleagues talk to the mayors of cities and towns across our country, the No. 1 issue that they will claim that they face in terms of economic development and the creation of jobs is brownfields. We see the need for not only allowing brownfields to be cleaned up, but allowing for economic development of brownfield sites across America.

This motion to recommit contains within it a $25 million initiative funded through the EDI at HUD to allow for economic development of those brownfield sites. Talk to your mayors, talk to your city councils, talk to the people at the ground level that are responsible for building up those cities in the blighted urban areas of our country, areas that have been contaminated by corporations that have for years and years put so much poison on our city streets and on the fields of our cities.

The fact of the matter is that, for the first time, not only are we going to see those sites cleaned up but we have the opportunity to allow those cities and towns to come back. Those are the initiatives that are contained.

In addition, we are providing funding to allow for senior citizens to gain more independence within their housing programs. The largest single growing population of America is, in fact, our elders. And all too often, they are restricted in terms of their movements, in terms of their independence, because of their housing situations.

This amendment would allow for a small initiative to enable supportive services for senior citizens, to enable them to go out and live more independently. So if my colleagues want to stand up for the rights of senior citizens, if they want to stand up for the rights of our mayors and our city councils across this country to clean up brownfield sites, if they want to stand up and say that we do not believe that we ought to abandon our homeless, this bill currently, in its form, as a result of the amendment process, is coming in $200 million below the 602(b) allocation.

All we are trying to suggest is that my colleagues can still stand up and say to the people of their districts that they are fighting for a balanced budget.

The amendments that we have in the motion to recommit only take up $160 billion. The $200 billion that is left over in the bill will still come in under budget, but it will not come in by virtue of turning our back on the poorest of the poor in terms of our homeless. It will not come in by turning our back on the brownfield sites of this country that I think offer us an opportunity to really go out and rebuild America's urban areas.

That ought to be the policies of this country. It ought to be the policies of this House. I urge the Members to support the motion to recommit.

Mr. LEWIS of California. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from California is recognized for 5 minutes.

Mr. LEWIS of California. Mr. Speaker, I do not intend to speak extensively on this matter. We have spent much of the day and yesterday talking about the very difficult bill we face, the reality that there is many a trade-off between complex programs. That does not suggest that in every instance a bill changes on the floor, that we ought to spend every single dime of somebody's perceived remainder 602(b).

I am not really surprised that the gentleman from Massachusetts [Mr. KENNEDY], my dear friend, would like to spend all of our 602(b). It may be that from time to time we come together on even balancing the budget. But in the meantime, without any further ado, I would ask my colleagues to oppose the motion to recommit.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The question of passage of the bill is an automatic vote and will be 5 minutes.

The vote was taken by electronic device, and there were—yeas 193, nays 235, not voting 6, as follows:

[Roll No. 279]

YEAS—193

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Wise
Woolsey
Wynn
Yates

NAYS—235

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Markey
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Souder
Spence
Stearns
Stokes
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NOT VOTING—6

Ehlers
Matsui
Schiff
Solomon
Weygand
Young (AK)

□ 1941

Messrs. GOODLATTE, THUNE and LAZIO of New York, Mrs. CHENOWETH and Mrs. KELLY changed their vote from ''yea'' to ''nay.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. EHLERS. Mr. Speaker, on rollcall No. 279, because I was detained in unexpectedly heavy traffic, I missed the vote. Had I been present, I would have voted ''nay.''

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the passage of the bill.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 397, nays 31, not voting 6, as follows:

[Roll No. 280]

YEAS—397

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss

Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryun
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
White
Whitfield
Wicker
Wise
Wolf
Wynn
Yates
Young (FL)

NAYS—31

Barr
Campbell
Cox
Crane
Doggett
Duncan
Filner
Hefley
Hoekstra
Hostettler
Istook
Johnson, Sam
Kennedy (MA)
Kennedy (RI)
Kingston
Klug
Largent
Markey
McIntosh
Miller (FL)
Minge
Paul
Petri
Roemer
Rohrabacher
Royce
Salmon
Sanford
Scarborough
Sensenbrenner
Thornberry

NOT VOTING—6

Murtha
Schiff
Solomon
Weygand
Woolsey
Young (AK)

□ 1951

Mr. RAMSTAD changed his vote from ''nay'' to ''yea.''

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. LEWIS of California. Mr. Speaker, I ask unanimous consent first for the House to express its appreciation for the fabulous work done today by our Chairman of the Committee of the Whole House, the gentleman from Texas (Mr. COMBEST).

Then, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2158, the bill just passed.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1984

Mr. EHLERS. Mr. Speaker, I just learned that my name was mistakenly entered as a cosponsor of H.R. 1984, and I ask unanimous consent that my name be removed as cosponsor.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1853, CARL D. PERKINS VOCATIONAL-TECHNICAL EDUCATION ACT AMENDMENTS OF 1997

Mr. MCINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 105–187) on the resolution (H. Res. 187) providing for consideration of the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act, which was referred to the House Calendar and ordered to be printed.

REPORT ON H.R. 2169, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. WOLF, from the Committee on Appropriations, submitted a privileged report (Rept. No. 105–188) on the bill (H.R. 2169) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER. Pursuant to clause 8 of rule XXI, all points of order are reserved on the bill.

LEGISLATIVE PROGRAM

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

Mr. SKEEN. Mr. Speaker, I want to announce that there will be no further votes tonight. We will do general debate only tonight, and I expect to be back on this bill tomorrow. I will shortly be asking unanimous consent to stack votes beginning tomorrow so that we will have the hope of finishing this bill before we leave tomorrow evening, and I repeat, we are only going to do general debate; no more votes, no amendments will be considered tonight.

REQUEST TO POSTPONE RECORDED VOTES DURING CONSIDERATION OF H.R. 2160, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that during the consideration of H.R. 2160, that on Thursday, July 17, or any day thereafter, the Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and that the Chairman of the Committee of the Whole may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New Mexico?

Mr. OBEY. Mr. Speaker, reserving the right to object, I understand the gentleman from New Mexico is making

a unanimous consent request to roll votes tomorrow.

Let me simply say that at this point I am not at liberty to accede to that request. I would urge the gentleman from New Mexico [Mr. SKEEN] to withdraw the request, and perhaps we will be in a position tomorrow when we convene to accede to that request. Right now I have a number of problems on my side of the aisle that will prevent us from agreeing to it at this time.

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

Mr. OBEY. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Speaker, I appreciate that, and I am in total sympathy with it, but I think at least we can do the colloquies tonight and get those out of the way so that we can get to the substance matter. If the gentleman from Wisconsin would agree to that, I will appreciate it.

Mr. OBEY. Mr. Speaker, I do not understand what the gentleman is suggesting there.

Mr. SKEEN. If the gentleman would continue to yield, Mr. Speaker, we will withdraw that unanimous-consent request, and do general debate, and end it there then.

Mr. OBEY. Mr. Speaker, perhaps we will be able to agree to the request tomorrow.

□ 2000

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SKEEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes; and pending that, I ask unanimous consent that the general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentlewoman from Ohio [Ms. KAPTUR] and myself.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico.

The motion was agreed to.

□ 2000

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. 2160), with Mr. LINDER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from New Mexico [Mr. SKEEN] and the gentlewoman from Ohio [Ms. KAPTUR] each will control 30 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. SKEEN].

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

Mr. Chairman, I rise to offer the fiscal year 1998 appropriations bill for Agriculture, Rural Development, Food and Drug Administration, and related agencies. The bill totals $13,651,000,000 in discretionary spending and $39,796,855,000 in mandatory spending for a total of $49,447,051,000. This bill meets both the discretionary allocation of $13,650,196,000 and its outlay allocation of $13,967,000,000.

Mr. Chairman, this bill is the result of 13 days of hearings from mid-February through mid-March. The subcommittee took testimony from 252 witnesses, including 20 Members of Congress. We marked it up in subcommittee on June 25 and in full committee on July 9.

While our allocation was larger than last year, this bill spends about $424 million less than the administration requested. There are only a few significant increases in the bill: WIC, rural water and housing, FDA, and meat and poultry inspection. Most of the programs are reduced or frozen at the 1997 level.

This is a good bill and a responsible bill. I want to remind all my colleagues that this legislation pays for critical programs that benefit us and every one of our constituents every day of their lives, no matter what part of this great country they live in. At the same time, it spends carefully and fulfills our obligation to move towards a balanced budget.

Mr. Chairman I want to express my appreciation to the committee members and the staff, and particularly to the gentlewoman who is the ranking member, the gentlewoman from Ohio [Ms. KAPTUR], who has been a great help to me. We have a great team going, I think, on this particular bill.

We have our differences once in a while, but they are mild compared to some we have heard in the earlier testimony before from this chair. So I want to thank all those folks who make this thing a reality, and for the hard work they do and the tremendous amount of time they put in.

Mr. Chairman, this bill represents a lot of hard work and contribution by both the Democratic and Republican Members. I believe it deserves strong support from both sides of the aisle. I have not asked for a rule on this bill because I want my colleagues to have a chance to discuss and debate any issues which they believe are important.

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

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

Mr. Chairman, I rise this evening to commend our chair, the gentleman from New Mexico [Mr. SKEEN], an outstanding Member of this House to work with; all of the members of our subcommittee and the committee staff, for their wonderful leadership in putting together a solid bill. It will help keep our Nation at the leading edge for food, fiber, fuel, and forest production, as well as research, trade, and food and drug safety.

There is no question that agriculture is America's lead industry. Our farmers and our agricultural industries remain the most productive in the world, and they well understand, as we do, how difficult it is to maintain our Nation's commitment to excellence in agriculture in tight budgetary times.

Our bill appropriates $3.7 billion or 7 percent less than last year's budget, and $2.8 billion less or 5 percent less than the amount requested by the administration. Over two-thirds of the bill's spending is dedicated to mandatory programs, largely nutrition programs like the school breakfast and lunch programs and the Food Stamp Program, which comprise nearly 70 percent of the funding in this bill.

The committee provided $35.8 billion in mandatory programs, which is a decrease of $4.3 billion below the amount available for fiscal year 1997, and $2.4 billion below the budget request.

The bill includes a total of $13.65 billion for discretionary programs, which is $599 million more than the amount appropriated in the last fiscal year, and $424 million less than the budget request.

Mr. Chairman, those who serve farmers and work with agriculture are taught over and over again that there is a big difference between money and wealth. Our job on this Committee on Agriculture is to help create the wealth of America through the investments that we make in food, fiber, fuel, and forestry, all essential components of production agriculture.

Market-oriented farm policy means farming for the market, not the Government, and requires investments in research, some of it high risk, in conservation, in sustainability, in education and technology transfer, which will keep agriculture competitive as we move into the new century.

Overall, the bill represents a fair, bipartisan approach. The committee did face tough choices, given our spending constraints. There are no funds in this bill for any Member for university facilities. Our committee turned down over a dozen requests for university research facilities. Further, we were only able to fund $50 million of over $200 million in requests for agricultural research.

I am not proud of the fact that we can only provide $50 million. That is only a quarter of what we were asked to provide, but that is the reality in today's world. Facing tight budget constraints, we did our best to shift research needs to priority areas. But in every case where a priority program received additional funding, some other budget function had to be cut.

Farm ownership and operating loans sustained a major cut in this bill, and were reduced $229 million below FY 1997 levels. This will have an impact. APHIS, the Animal Plant Health Inspection Service budget, was reduced by approximately 4 percent, at a time when we are experiencing increasing problems with inspection at our ports of entry.

The Natural Resources Conservation Service conservation operations programs, the primary source of technical assistance to producers and landowners, was cut by $10 million over last year's level, and more than $112 million below the President's budget request.

With the increasing public concern about food safety, I am pleased with the increase we were able to include for the food safety initiative under both the USDA and the Food and Drug Administration, as well as the Youth Tobacco Prevention initiative proposed under the FDA.

It is also noteworthy that this bill includes, after great compromise on the committee and struggle, an $118 million increase for the women, infants, and children feeding program, which will allow the program to maintain its current participation level of 7.4 million participants.

This bill also includes an $800,000 increase to upgrade investigative activities of the Grain Inspectors' Inspection Packers and Stockyards Administration regarding concentration in those industries. This increase is critical for monitoring and analyzing anticompetitive practices in the meatpacking industry, where now three huge firms control 80 percent of the meat that consumers in this country purchase.

Mr. Chairman, I continue to have serious reservations about some amendments which were adopted in full committee, and hope that these issues can be resolved during this floor debate. For example, our subcommittee, after considerable debate, provided $152 million for sales commissions to private crop insurance agents, as requested by the administration. However, at the full committee level, the chairman's en bloc amendment included a further increase of $36 million. There are many other programs that are of higher priority in this bill than underwriting private insurance agents, particularly in light of the April GAO report on abuses discovered in the crop insurance program.

In its report, GAO stated that expenses reimbursed with taxpayer funds appeared excessive, and I underline ''excessive,'' or did not appear to be reasonably associated with the sales and service of Federal crop insurance. These include, and I quote from the report, agent's commissions that exceeded the industry average, unnecessary travel-related expenses, questionable entertainment activities like skyboxes, expenses associated with acquiring competitors' businesses, profit-sharing bonuses, and lobbying.

GAO suggested that future reimbursement rates could be reduced. Consequently, the U.S. Department of Agriculture indicated to our committee that $152 million would be sufficient funding for this program for fiscal year 1998, and that these funds would provide assurance that valuable crop insurance products would be delivered by private crop insurance companies and their agents.

I strongly support the crop insurance program as a continuing safety net for our Nation's producers, but certainly a 24.5 percent level of commission, 24.5 percent, should be sufficient to encourage private companies to provide this service. Some might say it may even be too generous. Providing an additional $36 million increase to raise those commissions from 24.5 percent to about 27 percent of the value of the insurance policy is simply not the highest priority use of this subcommittee's limited funding.

I also remain concerned about some of the reductions proposed for salary accounts in the Department of Agriculture, particularly reductions in the Farm Service Agency, and the potential for disruption of the delivery of programs and services to farmers at the local level.

I strongly oppose the amendment adopted in full committee that would eliminate the salaries for the deputy and assistant deputy administrator of the Farm Services Agency. While we realize that the farmers and landowners in one State, Washington State, are very disappointed with the results of the 15th consecutive conservation reserve program sign-up, we strongly oppose this punitive and misguided attempt to effect a change through micromanagement of a Federal agency.

There remains in this bill, language adopted in full committee which seems to give special preference and consideration to one university building under the CSREES buildings and facilities account. With limited Federal funding available for priority programs, this subcommittee agreed in fiscal year 1997 that it would end the practice of building academic research facilities for universities.

While we followed this approach in subcommittee markup and provided no funding in this account, the language adopted in the full committee markup subverts an established process and I think compromises us at the conference committee level. It appears to give preference to one university while disallowing other priority proposals from consideration.

The full committee also adopted an amendment that authorizes on this appropriations bill by changing the designation of a community in California from a rural to an urban community. I have extremely strong reservations about the intent of this language, since no hearings were held on the subject. I underline, no hearings were held on the subject. It sets a very bad precedent, including unintended consequences that we may not fully appreciate. This language should be stripped from the bill.

Traditional farm programs continue to receive a decreasing portion of Federal support, and in my view, we should target our scarce agricultural dollars to smaller family farmers to assure competition in our industry now dominated by megagiants. I opposed last year's farm bill because I do not believe that it did enough to insure against undue risk to family farmers and to provide them with a safety net when times turn bad. While the farm bill made progress by enacting a $40,000 payment limitation, I remain concerned that large corporate farmers can still have undue call on Federal payments.

In recent decades, America has slowly eroded the historic basis of American agriculture, the family farmer, and is moving in the direction of giant corporate farms. We must address the increased concentration in agricultural markets that is squeezing family farmers out of business.

In the final analysis, a concentrated production system risks price manipulation and lack of competition. Commodity prices must be maintained at a level high enough to compensate for the costs of production, and to maintain standards of living in order to attract and retain farmers and farm production.

On the international front, we must also negotiate reciprocal trade agreements which encourage and enhance the ability of our farmers to compete in world markets.

□ 2015

On agricultural trade, we must work harder to recapture lost markets and increase exports. As American agricultural exports grow, foreign agricultural imports to our country are being shipped in greater magnitude.

Since 1981, our agricultural exports have exhibited a rather roller coaster ride, first declining from $43.8 billion to a low of $26 billion in 1986, and then rising to a record high of $60 billion in 1996, but at the same time agricultural imports have increased from $10.8 billion to approximately $30 billion in 1996, now equaling half of our exports.

In many cases, these products our own farmers could be producing and marketing.

In closing, I want to express my appreciation to the gentleman from New Mexico [Mr. SKEEN] for putting together the best bill we could under current fiscal circumstances. Let me remind our colleagues in closing that the agriculture portion of Federal spending has taken more than its share of budget cuts in these past several years. Overall spending on programs in our committee's jurisdiction has declined from $70.8 billion in fiscal year 1994 to $49.45 billion in fiscal year 1998 projected.

Employment at USDA has declined by approximately 13,000 since 1993. County-based office staffing has been reduced by 13.7 percent since fiscal year 1993 and will be reduced further for a total cut of 40 percent by fiscal year 2002. I think our subcommittee has met the challenge to reduce Federal spending. I am not quite sure how much more we can do.

Mr. Chairman, I again thank the gentleman from New Mexico for his cooperation.

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

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

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

Mr. Chairman, I rise for the purpose of entering into a colloquy with the distinguished subcommittee chairman, the gentleman from New Mexico [Mr. SKEEN]. I am disappointed that the committee did not include funding for the Melaleuca Research and Quarantine Facility close to Fort Lauderdale, FL. The committee chose not to include funding although this project was authorized by Congress last year and specifically requested by the administration. Moreover, in previous years the committee has funded this project.

Mr. Chairman, this project is critical to the survival, the very survival of the Everglades. Therefore, I hope that you will work with me during the conference committee if the Senate chooses to fund this project.

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

Mr. SHAW. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I want to tell the gentleman from Florida [Mr. SHAW] that I will certainly work with the gentleman from Florida during the conference on this bill. I regret that the subcommittee could not include funding for this project. It suffers from the fate of many worthwhile projects, as was mentioned by the ranking member. There is just not enough money to go around. However, I am sure that this project will be fully funded in time because of its great importance to the Everglades.

Mr. SHAW. Mr. Chairman, I thank the gentleman.

Ms. KAPTUR. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], our distinguished ranking member.

Mr. OBEY. Mr. Chairman, I thank the gentlewoman for yielding me the time.

First, I would like to simply say that I think that there are no two Members of the House who are more popular than the gentlewoman from Ohio and the subcommittee chairman, the gentleman from New Mexico [Mr. SKEEN]. I think everyone understands in these two individuals they have Members who want to work things out, they have Members who want to produce a bipartisan approach and who try to the best of their ability to accommodate the needs of this institution, the country and our individual Members.

I want to say that I expected to support this bill with a fair amount of enthusiasm in the early stages of consideration. But, unfortunately, in the full committee a number of amendments were adopted which will make that very difficult.

First of all, the gentlewoman has already mentioned the Crop Insurance Commission issue which was raised in full committee. The amount of funding put in the bill for that purpose now greatly exceeds that requested by the administration. I do not believe that that can be justified with so many other competing needs. I am for crop insurance, most definitely, but I am not for providing persons who sell it with a greater commission than they need in order to persuade people to buy what they ought to buy without any persuasion.

I would also say that the development in full committee which eliminated the assistant deputy administrator of FSA I find to be an unseemly personalization of differences between individual Members of the Congress and the agency, and I believe that just as it did when similar action was taken by previous chairs of this subcommittee, I think that in this instance it also brings disrepute on the Congress as an institution for acting in a manner that is that extreme. I think that that will have to be removed before it is accepted by the administration.

There are some other items as well. I would simply also take note that I do not know what exactly the number is, but I know the gentlewoman from Ohio [Ms. KAPTUR] is one of the very few women who have either served as Chair or ranking minority member of an appropriations subcommittee. There have been, as I understand it, two women who served as subcommittee Chairs and three who have served as ranking members. I want to congratulate the gentlewoman from Ohio [Ms. KAPTUR] for ascending to that position.

Again, I express my appreciation for the way that the gentleman from New Mexico [Mr. SKEEN] tries to conduct affairs in this place.

I would also simply say that in general, at the proper time, I will be trying to insert in the RECORD a very interesting article from a newspaper in my home town called City Pages, which really traces the depths of despair which has developed on the part of many farmers in rural America because of the economic crunch that has beset them really for the past 20 years. In my view this bill cannot begin to address the damage that has been done to the social fabric of rural America and to the economic welfare of hard-working, struggling family farmers by what I consider to be inadequate and misguided farm policy over the past years, which unfortunately continues today.

I will be inserting that article in the RECORD despite its length because I think it is important, when people are looking at reasons for the tuning out of large segments of our population, when they are looking for reasons why so many people join these misguided militia groups around the country, I think it is important to understand that when people are economically pressed to the wall, that their reaction is sometimes irrational.

I would urge all Members, whether they are from urban or rural districts, to read it because it ought to teach us all a lesson.

Mr. SKEEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS. Mr. Chairman, I thank the gentleman for yielding me the time. I rise to enter into a colloquy with the chairman.

Mr. Chairman, there is a proposed move by the USDA of an experiment station in Griffin, GA to another location. This station has been in place since 1949. Over the last few years, in fact the last 7 years, we have spent some $2.5 million in improvements, in new plant facilities there. The proposed site is nowhere near comparable to the existing site.

I am concerned, too, about the number of employees who would be affected by this move because these employees have been paid through another system, a university system, and would be ineligible for funds for moving to a new location.

I have inquired with USDA and have not received any response from my inquiry. My inquiry to the gentleman is for him to seek out why this move is being made, if it is logical, if it is sound fiscal policy and, if not, let us move in some way to restrict this move.

Mr. SKEEN. Will the gentleman yield?

Mr. COLLINS. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, yes, we will go hand-in-hand with the gentleman and see what the problem is and get some answers for the gentleman. That I pledge to the gentleman.

Mr. COLLINS. Mr. Chairman, I thank the gentleman.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Chairman, I would like to engage the gentleman in a colloquy. I intend to clarify in this colloquy the intention of the subcommittee in its report language for this bill that, quote, ''The Committee believes that the funding provided to the Foreign Agricultural Service will enable the Foreign Market Development/Cooperator program to operate at the same level as fiscal year 1997.''

Is it the gentleman's understanding, Mr. Chairman, that the Foreign Agricultural Service is approving $32 million for approved foreign market development/cooperator program marketing plans in fiscal year 1998?

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

Mr. NETHERCUTT. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I would tell the gentleman that the department intends to operate the FMD/cooperator program at a level of $32 million which includes new money and carryover funds. The bill provides sufficient funding for this. This is the meaning of the report language.

We have not earmarked this level because it is nearly a quarter of the budget of the Foreign Agricultural Service and USDA needs the flexibility, to change the FMD/cooperator budget to meet other needs which may arise during the fiscal year. On the other hand, the FMD/cooperator budget could go above the $32 billion level if USDA decides that is the best course.

Mr. NETHERCUTT. Mr. Chairman, I thank the gentleman very much.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WALSH].

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

Mr. WALSH. Mr. Chairman, I rise in strong support of H.R. 2160 and its accompanying report that provides funding for Agriculture, Rural Development, Food and Drug Administration and related agencies for fiscal year 1998. I want to commend the gentleman from New Mexico [Mr. SKEEN], the subcommittee chairman, and the gentlewoman from Ohio [Ms. KAPTUR], the ranking member, for their leadership and fine work in crafting this difficult bill. I would also like to thank the subcommittee staff for their diligence and the long hours they spent putting the bill together.

The bill provides $49 billion for agricultural appropriations. This represents a reduction of $3.7 billion from last year's level. While discretionary spending in our bill has increased as a result of changes made to the food stamp and related nutrition programs, our subcommittee has had to make some very difficult choices as only a few of the programs in this bill are receiving increases over last year's level. The President's tobacco and food safety initiatives were largely funded in this bill, and the subcommittee has also provided $188 million for Federal crop insurance.

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We have funded the wetlands reserve program that will be increased by $45 million. We have also increased funding for the EQUIP Program. These are environmental measures within the U.S. Department of Agriculture budget that are very important to our conservation of soil. We have also provided $7.8 billion for child nutrition programs, such as school lunch and school breakfast and $25 billion for food stamps.

These are substantial commitments. Often the agriculture budget is considered an agricultural subsidy bill, but in fact it is not, it is the bill that provides the food and sustenance for most of our Nation's poor.

I thank our leadership for supporting these programs, for providing money for nutrition, and I would urge a strong bipartisan support for this bill.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. LAHOOD].

Mr. LAHOOD. Mr. Chairman, I wonder if I might enter into a colloquy about a particular research program.

As a part of the President's budget there was a proposal to stop many ongoing agricultural research projects. Many of these are very good research projects and have had long-term agricultural benefit. I appreciate very much the chairman and the ranking minority member in helping continue some of these projects.

There is one project I do want to ask about specifically. This project is known as the ''Genetic Engineering of Anaerobic Bacteria for Improved Rumen Function,'' research effort conducted at the Ag research lab in Peoria, IL. This project was not mentioned in the committee report, and I would ask the Chairman if he would assist me in ensuring that this project be included as a worthwhile project when the bill comes out of the committee on conference.

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

Mr. LAHOOD. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I would be pleased to respond to the gentleman that he has my assurances that we will look after this project. The gentleman from Illinois has always worked with the committee and he asked to keep this project earlier in the year. It was just an oversight that it was not mentioned in the report, and we will do what we can to make sure ARS keeps this project alive.

Ms. KAPTUR. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO], an esteemed member of our subcommittee and full committee.

Ms. DELAURO. Mr. Chairman, I would like to thank the ranking member, the gentlewoman from Ohio [Ms. KAPTUR], for yielding me this time and for her hard and diligent work on the bill.

I also want to commend the gentleman from New Mexico [Mr. SKEEN] for listening to Members and for working hard to craft a good bill and for his work in bringing the bill to the floor today.

This bill does fund a number of important priorities, but I still have a number of concerns about it. I am particularly concerned about the prevalence of tobacco use amongst young people. I appreciate that the chairman worked with me and other members of the subcommittee to provide $24 million for the FDA initiative to block youth access to tobacco.

This is a good start toward the $34 million that was requested by the administration to stop kids from taking up smoking and becoming addicted. We need to bring that level up to $34 million. Three thousand youngsters start to smoke every day. One-third of them will die. We need to put an enforcement mechanism in place that curtails underage smoking.

I am also pleased that the bill provides funding for the President's food safety initiative, for the WIC Program, which provides essential nutrition assistance for pregnant women and young children, and for agricultural research.

I am dismayed, however, by a number of provisions and, in particular, by changes that were made at the full committee level. The full committee chose to recognize one specific construction project when, by agreement, numerous other worthy projects at sites around the country were left out of the bill and report. This is unfair to other members of the committee and to other Members of this House.

I am concerned that the full committee added funds above what the Secretary of Agriculture deemed sufficient for payments to crop insurance agents, even though the General Accounting Office has revealed that taxpayer dollars are being used for outrageous and unreasonable expenses, such as skyboxes at athletic events, country club membership fees, and corporate aircraft. We should not be providing extra dollars in this area.

The full committee could establish a dangerous precedent by its actions to eliminate two positions in the Department of Agriculture simply because a Member of the Congress is unhappy about the actions of an entirely different administrator.

While I do have a number of concerns, I again would like to thank the chairman and the ranking member for their efforts and express my thanks to the staff.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. LATHAM].

Mr. LATHAM. Mr. Chairman, first of all I want to thank the chairman, the gentleman from New Mexico, for yielding me this time and all his hard work; and the work of staff on the committee; as well as the ranking member, the gentlewoman from Ohio [Ms. KAPTUR] for the cooperation and help on this bill.

Mr. Chairman, I think some very important things are included in this; first of all, the sanctity of the contracts that we had last year. Last year I was on the authorizing committee and, as a farmer myself, I know how important it is to maintain those contracts to make sure that the farm bill, that really is going to help all farmers in the future, the sanctity of that farm bill stays intact.

That is extremely important as we go through a transition of Government controls in agriculture to a truly free-market agriculture based on exports on value added products. I am very pleased with that portion.

Also the portion about funding for crop insurance. While we did increase in the full committee somewhat the funding for crop insurance, it is still a decrease from the amount that was spent on crop insurance last year. But it does maintain a level of funding which is absolutely critical for agriculture, unless we want to go back to the days of disaster payments and coming to the Federal Government year after year for more and more money.

If we are going to finally have farmers, who now in the freedom to farm bill have that freedom to choose the crops that they want, they also have to take the responsibility to insure that crop. And for us to cut the funding for crop insurance is absolutely wrong and upside down unless we want to get the Federal Government back involved in disaster bills year after year.

I am very pleased in this bill that we continue our commitment as far as agricultural research. This really is the future for agriculture. It is the basic research we need, especially in my district where we are challenged by so many environmental concerns today, with some of the hog lots and those types of situations.

The bill also continues to fund marketing export promotion programs that are absolutely critical. We talk about having free and open trade. While that is the case, and we would like to get to that point, we are not there yet, so we do need the Federal Government involved as far as having a way of competing in the marketplace around the world.

I am very pleased too that this bill includes funding for the President's food safety initiative, the meat and poultry inspection, and enforcement of the FDA tobacco regulations aimed at reducing youth smoking. It also continues the bipartisan effort to support the WIC Program and holds the line on Federal spending.

I think everyone should understand in the small portion of this agriculture appropriations bill that actually goes to farmers, we are at a level of about 20 percent of where we were 10 years ago in support for agriculture directly. I would challenge any other agency in this Government to take those kinds of severe cuts and still have an industry out there that prospers and grows.

We have finally unleashed the power of agriculture in America with the farm bill. This bill supports that. This is the right direction to go, maintaining the safety net through individuals taking responsibility for themselves. And I am just very, very pleased that after 60 years of Government controls in agriculture, we have finally freed up what is going to be the most dynamic part of this whole economy, and that is the American agriculture machine.

Ms. KAPTUR. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Hawaii [Mrs. MINK.]

Mrs. MINK of Hawaii. Mr. Chairman, I thank the ranking member, the gentlewoman from Ohio [Ms. KAPTUR], for yielding me this time. I would like to rise initially to give my strong support to H.R. 2160 and to commend the gentleman from New Mexico [Mr. SKEEN], the chairman of the subcommittee, and members of the Committee on Appropriations for not yielding to the many demands and requests to amend the farm bill that we struggled so hard a year ago to enact.

I also rise to take the time during general debate to remind the House that, notwithstanding the popular view of Hawaii as a tourist mecca of the country and the world, that it is in my district that the bulk of the agricultural economy of my State is sustained. Therefore, we have a very strong support and reliance upon a strong farm bill, and I rise to reiterate the struggles that we had a year ago.

Specifically, on the sugar debate, which we anticipate once again will come during the amendment stages, I received a communication today, which I know I cannot insert in the RECORD at this point, but I would like to read from portions of it. It came from the American Sugar Alliance and is addressed to Members of Congress. It is signed in particular by a large number of organizations, but I wanted to cite one in particular, Gay & Robinson, of Hawaii, who is a sugar producer on the Island of Kauai, whose future will be intimately affected by the outcome of the debate on sugar, if there should be one.

Sugar cane and sugar beet growers, this letter says, in 17 States, went to their bankers last year to get financing, which they were able to achieve because of the passage of a 7-year farm bill. In the middle of all of this effort, we are now being threatened with the possibility of this program coming to a halt.

The sugar producers pay back their loans with interest, and that is why it is so unfair for people who attack this program to suggest that we have a subsidy and that we are costing the taxpayers money. In point of fact, we are producing about $40 million each year.

The giant food manufacturers are the ones that are attacking this program because they want to see foreign subsidized sugar dumped into our markets in order for them to increase their profits. So I hope that in the course of the debate on the amendments that we will rely on what we did last year and not break faith with the farmers of America.

Mr. SKEEN. Mr. Chairman, I yield myself 1 minute, and I would like to respond to the gentlewoman from Hawaii and thank her for getting the road fixed out to the research station in Hawaii for the fruit fly project.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. Mr. Chairman, it was because of the gentleman's energetic intervention on that matter that we were able to resolve it. So I wish to thank the gentleman for raising this issue to my attention.

Mr. SKEEN. Mr. Chairman, reclaiming my time, thanks to the gentlewoman, my back healed up from that rough road.

Mr. Chairman I yield 5 minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise to engage the chairman of the subcommittee and the gentlewoman from Idaho in a colloquy. I am very concerned about the administration's proposed American Heritage Rivers Initiative.

First, this initiative, originally announced by President Clinton in his State of the Union Address this last January, will threaten property rights if it is implemented. Although the initiative purports to be community led, it is the Federal agencies involved that will dominate the process and could well dictate to property owners how they can use their land.

If this occurs, we could see a severe erosion of the property rights guaranteed to American citizens under the Constitution. A prime example of this would occur in the West, where restricting cattle from streams, their only water supply, would create enormous uncompensated losses for ranchers.

The administration is advancing this initiative without sufficient input from Congress, and this concerns many of us greatly. The American people have not been granted a say about what is going on here. The agencies involved are currently planning to reprogram funds for purposes that were not authorized or appropriated by Congress.

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We are all aware that the justification for creation of the program can be found in the words ''There is no new money involved.'' However, the reprogramming of funds to pay for an initiative where the voices of the American people have not been heard is simply not acceptable.

Until Congress has reviewed this initiative and the agencies have provided sufficient budget justification material as well as substantial protections for private property rights, I am proposing that Congress in general, and the Committee on Agriculture Appropriations in particular, withhold any funds for

implementation of the American Heritage Rivers Initiative.

I appreciate the work of the chairman on behalf of private property rights, but I remain concerned that there are no concrete protections for property rights. Any assurances that the chairman could provide that no reprogramming requests will be entertained by the committee until all questions have been answered and private property rights have been protected would be greatly appreciated.

Mrs. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Texas. I yield to the gentlewoman from Idaho.

Mrs. CHENOWETH. Mr. Chairman, I appreciate the gentleman from Texas [Mr. SMITH] bringing this matter to the attention of the Members. I, too, have grave concerns about the Clinton administration's American Heritage Rivers Initiative. There are so many things wrong about both the program and the process by which it was brought forth that we simply do not have time to go into the details now. But I wholeheartedly agree with the gentleman from Texas [Mr. SMITH].

Yesterday, the full House Committee on Resources met and held a hearing on this very proposal. It was very interesting, and I learned that this so-called initiative will cost the taxpayers millions and millions of dollars every year, and yet Congress has never authorized nor appropriated funds for the American Heritage Rivers Initiative.

And the last time I checked, we were still the responsible party for authorizing and appropriating money for new programs. But what this does mean is that other programs, such as Bureau of Land Management, Fish and Wildlife Service, Forest Service programs, that already have been authorized and money appropriated for those authorized programs, are being robbed by the American Heritage Rivers Program on line. And this was from testimony by Mrs. McGinty and Secretaries Bruce Babbitt and Dan Glickman.

When we are desperately striving to meet our existing obligations and commitments, when we ask the American people to once again tighten their belts, and when we continue to spend into our grandchildren's money and into their future by engaging in deficit spending, I have to ask if this is the best use of the taxpayers' money.

I think, instead, it is sort of like saying, well, if the peasants do not have bread, let them eat cake. No, this is not a priority to the American people, because it tramples on States' rights. And to this end, I introduced H.R. 1842, a bill to stop this ill-conceived proposal. And I note that the gentleman from Texas [Mr. SMITH] is a cosponsor, and I thank him very much for raising this ill-conceived program to the attention of the Members.

Mr. SKEEN. Mr. Chairman, I yield myself 2 minutes.

The gentleman from Texas [Mr. SMITH] and the gentlewoman from Idaho [Mrs. CHENOWETH] have raised a very important issue. The committee shares their concern; and in its report accompanying the bill, it addresses this issue with respect to the Natural Resources Conservation Service. And in the report, we have directed the agency to enhance its accountability of appropriations.

To underscore how serious this matter is, we have prohibited the agency from using funds to support the American Heritage Rivers Initiative, as well as other similar administration-hatched initiatives, until justification is provided and the programming and reprogramming requests are approved by Congress.

My colleagues can be certain that I have the same concerns as the gentleman from Texas [Mr. SMITH] and others and will not agree to funding this program until we can be completely assured that there are adequate protections for private property rights.

In response to me and as one of the steps in the right direction, the administration has agreed to add the following to the final version of the initiative: ''In implementing the American Heritage Rivers Initiative, Federal departments shall act with due regard for protection of private property provided by the fifth amendment to the United States Constitution.''

In addition to this, the Council on Environmental Quality has given numerous assurances that they will continue to work with me in clarifying and protecting property rights and agriculture. However, the gentleman from Texas [Mr. SMITH] has my assurance that I have no intention of entertaining any reprogramming requests until outstanding questions and problems with the American Heritage Rivers Initiative have been sufficiently addressed.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. I want to just ask the gentleman a question if I might.

Just for clarification purposes, in the report that accompanies our bill, we did direct the administration with the following language: ''Funds for these initiatives are not available until justification and reprogram requests are approved.''

So I think we put language in the report accompanying the bill to put our subcommittee directly in oversight over what is happening. And I will say to the chairman of our subcommittee, I was hoping our community could get one of these designations. We have several rivers we need help on. But I look forward to working with the gentleman on the language as we move to conference.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. SKEEN. Mr. Chairman, I yield myself 1 minute. The gentlewoman from Ohio [Ms. KAPTUR] is correct. We have begun the process of making this a more responsible piece of legislation. It has already begun, and I assure the gentlewoman that we are going to work together to make sure that this Heritage system is conducted properly and in the right way, with the proper safeguards.

And we would like very much to have her river designated, but our river we are going to have to fight every inch, because water is water in our part of the country, and there is no substitute.

Ms. KAPTUR. Mr. Chairman, I inquire as to the time on both sides.

The CHAIRMAN. The gentlewoman from Ohio [Ms. KAPTUR] has 7½ minutes remaining, and the gentleman from New Mexico [Mr. SKEEN] has 8½ minutes remaining.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. MCHALE].

Mr. MCHALE. Mr. Chairman, I rise in strong support of the American Heritage Rivers Initiative and in sharp contrast to the comments that were made previously by the gentlewoman from Idaho [Mrs. CHENOWETH], my friend and colleague.

As indicated by the gentlewoman from Idaho [Mrs. CHENOWETH] in her comments, the American Heritage Rivers Initiative was a subject of a full hearing yesterday of the Committee on Resources. There is now an extended comment period for public participation.

Today's debate and the legislation introduced by the gentlewoman from Idaho [Mrs. CHENOWETH] amply demonstrates that there will be a full legislative role in this process. There is no new bureaucracy under this program, no new statutory authority given in terms of land use policy to the administration.

The initiative for inclusion in this program is purely local and voluntary. I would suggest to the gentlewoman from Idaho [Mrs. CHENOWETH] that if her community does not wish to participate, I respect that, but that she not block those efforts and those interests locally generated in communities, such as my own, to have 10 rivers nationwide designated for participation in this program.

I represent a community of 70 different municipalities. We are attempting to restore a river; and in that effort, we seek a Federal voluntary partnership.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Chairman, I rise today in support of H.R. 2160. I thank the gentleman from New Mexico [Mr. SKEEN], the chairman, and the entire committee and subcommittee, which has worked so hard to formulate this bill that should be supported by all Members of the House.

We have worked diligently to make sure that our Nation protects the food we eat, ensures the safety of prescription drugs and medical devices used

every day in our homes and local hospitals and we make certain that children who are most in need receive food and care and our neediest school children are provided food during the school year.

This bill maintains agriculture research and foreign market development programs that will enable our farmers to expand trade and access as we transition from farm payments to self-sufficiency. Although important to the Pacific Northwest, the research projects contained in this bill benefit all of America.

I also want to make sure that the body knows that we have been careful to write legislation that considers the taxpayer and the long-term goals of agriculture. We are going to reduce the amount of pesticides used on crops by helping to develop insect resistance plants and develop new methods of disease and pest controls. So the environmental benefits in this bill are enormous, not only to farmers but consumers as well.

I know we will have a good debate tomorrow on the issue of defunding. Certain members of the Farm Service Agency, that was my amendment, and I look forward to that debate, because that debate will be all about accountability. It will require that Government officials acts fairly to all States, all regions of the country, and that they administer programs according to their charge, and that they do so fairly and equitably to all farmers.

We have heard a lot of talk in this body about fairness and expectations of Government agencies to do what they should do under the law. This is a good example and we will have a good chance to debate the whole issue tomorrow about what is fair and what is not and about what consequences there should be to Federal officials who do not do their job.

So I urge all Members to support this bill.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. MCCARTHY].

Mrs. MCCARTHY of New York. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Of the $141 million provided for the commodity assistance program, I understand that the committee intends $96 million specifically for the commodity supplement food program, CSFP, to ensure that there is no reduction in current caseload. Is this correct?

Ms. KAPTUR. Mr. Chairman, will the gentlewoman yield?

Mrs. MCCARTHY of New York. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Yes, the gentlewoman from New York [Mrs. MCCARTHY] is correct.

Mrs. MCCARTHY of New York. Reclaiming my time, I thank the gentlewoman; and I want her to know, as a new Member, I did not know anything about agriculture, and now I see it working in my community and feeding our elderly and our children and our women.

Mr. SKEEN. Mr. Chairman, I yield one minute to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I rise in support of this bill. It is very important for us to realize what we are doing with American farm policy. Two percent of Americans are farmers, and yet they feed all 100 percent of us, plus many, many other people throughout the globe.

Our farm bill always gets criticized for the research, for the programs, and so forth. And yet within those programs is a very strong delivery system. As convoluted as it may seem, so often it makes sense when the fact that very, very few people in America go to bed hungry, and it makes even more sense when we realize that through the international programs, less go to bed hungry than they would without these programs.

We have had skirmishes. We are going to have skirmishes on peanuts, on sugar, on tobacco, on the market access programs, and on a number of other things. Yet, through it all, we must remember that we are feeding Americans with this bill and, finally, we are doing it at less dollars than we have ever in the past.

Ms. KAPTUR. Mr. Chairman, I yield myself as much time as I may consume, and I would like to inquire of the Chair on time remaining.

The CHAIRMAN. Each side has 5½ minutes remaining.

Ms. KAPTUR. Mr. Chairman, I yield one minute to the gentleman from North Carolina [Mr. MCINTYRE].

Mr. MCINTYRE. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I would like to ask the gentleman from New Mexico [Mr. SKEEN], the chairman of the Subcommittee on Agriculture Appropriations, if he would engage me in a colloquy.

Mr. Chairman, it is my understanding that the sum of approximately $24 million has been appropriated to the Food and Drug Administration for the purpose of implementing new regulations concerning tobacco sales to minors. In light of the fact this funding represents a $20 million increase over similar funding in the prior fiscal year budget, I would ask the chairman if it is his understanding and the understanding of those on the committee that none of this funding is to be used to monitor or regulate the growing, cultivating, or use of raw tobacco?

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

Mr. MCINTYRE. I yield to the gentleman from New Mexico.

Mr. SKEEN. The answer to that question is, yes.

Mr. MCINTYRE. Reclaiming my time, furthermore, is it the committee's expectation that this authority should remain exclusively with the U.S. Department of Agriculture?

Mr. SKEEN. If the gentleman will continue to yield, once again, the answer is yes.

Mr. SKEEN. Mr. Chairman, I yield one minute to the gentleman from Nebraska [Mr. BEREUTER].

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

□ 2100

Mr. BEREUTER. Mr. Chairman, I rise in support of the legislation. I want to commend the chairman and the ranking member for an outstanding job in meeting the Nation's agriculture, agribusiness, rural housing and small community housing and development programs with limited resources. I am particularly appreciative of some assistance for the Midwest Advanced Food Manufacturing Alliance, 12 major leading universities plus corporations; a quarter of a million dollars for a very special and detrimental disease affecting grain sorghum; for drought mitigation research projects; and for various CSRS projects at the University of Nebraska.

Also I want to say to the gentleman, the gentlewoman and also to the former member, Mr. DURBIN, that I think that the loan guarantee programs for housing, like the 502 program and the demonstration for the 538 program, are working well. I appreciate their continued support and again I thank them for the tremendous work.

Mr. Chairman, I include the following letter for the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, COMMITTEE ON APPROPRIATIONS,
Washington, DC, July 9, 1997.

Hon. DOUG BEREUTER,
House of Representatives, Washington, DC.

DEAR DOUG: Earlier you wrote me regarding funding for several Department of Agriculture special research grants.

I am pleased to say that the FY 1998 Agriculture Appropriations Bill reported by the Committee includes $300,000 for the Alliance for Food Protection in Nebraska and Georgia, $200,000 for drought mitigation in Nebraska, $42,000 for the Food Processing Center in Nebraska, $423,000 for the Midwest Advanced Food Manufacturing Alliance, $64,000 for Nonfood Agriculture Products in Nebraska, and $59,000 for Sustainable Agriculture Systems in Nebraska.

I hope we will have not only your vote, but also your personal support when the bill is considered by the House.

Sincerely,

JOE SKEEN,
Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. POSHARD].

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. POSHARD].

The CHAIRMAN. The gentleman from Illinois is recognized for 2 minutes.

Mr. POSHARD. Mr. Chairman, I wish to engage the chairman of the subcommittee in a colloquy.

Mr. Chairman, I am particularly concerned with the effect of additional

cuts in Farm Service Agency funding on staff positions in my district and across the country.

Can the gentleman describe to me the impact this funding decrease will have on FSA county jobs, in addition to county office closures and the ability of the FSA to adequately serve the needs of our Nation's farmers?

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

Mr. POSHARD. I yield to the gentleman from New Mexico.

Mr. SKEEN. Let me first assure the gentleman that I have worked closely with the Department of Agriculture in arriving at the current appropriation level. I am satisfied that, although less money will be allocated to the FSA under this bill, the funding level will not result in more office closings than was planned and agreed to by Congress in the Reorganization Act of 1994. The reason we are able to use less funds here is due to erroneous assumptions in the President's budget regarding FSA's nonsalary funding needs as well as a higher than expected staff year reduction by FSA in the months since submission of the President's budget.

Mr. POSHARD. Although I continue to harbor doubts about the effect of these cuts, I will accept the gentleman's response. However, Mr. Chairman, I must also express my serious concerns regarding the effects of the initial cuts to FSA which were included in the 1994 act. The impact of these cuts is ongoing and I believe that the hardships that they have caused in the form of job loss, office closures and the potential for decreased service availability must be addressed and should be limited as effectively as possible in the future.

Mr. SKEEN. I thank the gentleman for sharing his concerns with this body. I will continue to work with him to ensure that any changes within FSA are made equitably and with the serious consideration befitting such an issue.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FARR].

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. FARR].

The CHAIRMAN. The gentleman from California is recognized for 1½ minutes.

Mr. FARR of California. Mr. Chairman, I rise to thank the distinguished chairman of this incredible committee that has one of the most important jobs in all of Congress because it is so diverse to have to deal with all the issues of agriculture. I rise in support of a very important issue to American specialty crop growers.

As the gentleman knows, for 4 years the Salinas ARS station, located in the heart of the largest vegetable production area in the United States, has been without a research scientist, to the detriment of the lettuce industry.

Does the gentleman agree that the lettuce farmers would be greatly aided by filling this position with a scientist at USDA with expertise in lettuce breeding?

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

Mr. FARR of California. I yield to the gentleman from New Mexico.

Mr. SKEEN. I tell the gentleman from California [Mr. FARR] that, yes, I agree that the lettuce farmers would be greatly aided by the filling of this position.

Mr. FARR of California. I thank the gentleman.

Would the gentleman agree that the research for such a specific crop be conducted in the Salinas Valley?

Mr. SKEEN. Once again in the affirmative, yes, it is important that the research be conducted in the field under real farm conditions for the best achievable and quantifiable results. Research in the field is where farmers will have quickest access to breakthrough technology.

Mr. FARR of California. Mr. Chairman, I appreciate the gentleman's commitment and the commitment of the committee in directing USDA to fill this vacant research position at the Salinas Valley ARS station to ensure that the final bill will include funding for this ARS position to support onsite lettuce research.

Mr. SKEEN. It is my pleasure to assist the gentleman in this endeavor, and I appreciate his commitment to good agricultural research.

Mr. FARR of California. Mr. Chairman, I thank the gentleman, and I look forward to supporting him on this great, important bill.

Mr. SKEEN. I thank the gentleman. We can sure use it.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. BARCIA].

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. BARCIA].

The CHAIRMAN. The gentleman from Michigan is recognized for 1½ minutes.

Mr. BARCIA. Mr. Chairman, I rise to engage in a colloquy with the distinguished chairman of the subcommittee, the gentleman from New Mexico [Mr. SKEEN] to verify the committee's intent with respect to two Agricultural Research Service projects.

Mr. Chairman, the committee has provided an increase of $500,000 for vomitoxin research, a matter of great importance to many of my wheat growers and millers. With this increase, will ARS be able to subcontract with universities to undertake portions of a broad research plan that I know was brought to the subcommittee's attention by myself and several of my colleagues?

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

Mr. BARCIA. I yield to the gentleman from New Mexico.

Mr. SKEEN. The gentleman is correct. ARS could use existing authority and these funds to contract with universities to undertake appropriate portions of their proposal.

Mr. BARCIA. I thank the gentleman.

The subcommittee also provided $727,000 for global climate change research. My understanding is that this funding will allow the Consortium for International Earth Science Information Network to continue the agricultural related work that they already have under way with ARS. Does the gentleman share my understanding?

Mr. SKEEN. Again the gentleman from Michigan is correct. We funded this portion of the request of the Agricultural Research Service.

Mr. BARCIA. I thank the gentleman for his assistance and for his answers and also thank the gentlewoman from Ohio [Ms. KAPTUR], the distinguished ranking member of the subcommittee.

Ms. KAPTUR. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. STENHOLM], the extremely talented, knowledgeable and experienced ranking member of the authorizing committee.

The CHAIRMAN. The gentleman from Texas is recognized for 1½ minutes.

Mr. STENHOLM. I thank the gentlewoman for yielding me this time.

Mr. Chairman, I join in commending the gentleman from New Mexico [Mr. SKEEN], the chairman of the subcommittee, and the gentlewoman from Ohio [Ms. KAPTUR], the ranking member, for the excellent work that they have done as well as the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the full committee, and the gentleman from Wisconsin [Mr. OBEY] the ranking member.

Working on the agricultural appropriation bill cannot be fun. We have so many needs and so many limited resources that the pressures are great, but they have done a good job and I rise in strong support of H.R. 2160.

I have only one negative remark to say about the work, and that was it has one blemish. The Nethercutt amendment, I think, was unfortunate. It will, as the gentleman from Washington [Mr. NETHERCUTT] mentioned a moment ago, be debated in full tomorrow, and I hope that the full House will join in striking this amendment. It has no place in a bill of the nature of which we are talking about today. But all in all it is a good bill.

The gentleman from New Mexico [Mr. SKEEN] has done a great job again in putting together as best we can to meet the needs of the number one industry in the United States. If one eats, he is involved in agriculture. It is something we have heard our colleagues from the urban areas talk about tonight, coming to realize that food production is extremely important to all of us. The authorizing committee does not have very many problems this year with the appropriators, and that in itself is saying quite a bit here today.

Mr. Chairman, I look forward to the debate tomorrow and helping to defeat many of the amendments that some of our colleagues will be offering which

they have every right to do, but I think we have to keep together the basic structure of agriculture as intended under the farm bill and with the intent of the appropriators and the work that they have done. I look forward to supporting them in that endeavor.

Mr. Chairman, H.R. 2160 is an important bill which funds the operations of the Department of Agriculture, the Food and Drug Administration, the Commodity Futures Trading Commission, and the many functions of those agencies. The Department of Agriculture is an important partner to our nation's farmers and ranchers, and with this bill Mr. SKEEN, Ms. KAPTUR, Mr. LIVINGSTON, Mr. OBEY, and the other Members of the Appropriations Committee have recommended a bill that carefully balances program priorities.

Mr. Chairman, agriculture is our Nation's most basic industry. Every day, slightly over 2 million farmers are laboring to produce food to feed a nation of 265 million people and much of the world. In 1996, our nation exported $60 billion worth of agricultural products and our trade balance in agricultural products was a positive $25 billion. The House considers this bill today under a backdrop of both uncertainty and opportunity over the prospects for the business of agriculture. Milk prices are at 5-year lows, wheat prices have fallen by more than half since a little more than a year ago, and corn prices are not much better.

At the same time, government financial support for agriculture is declining under the 1996 farm bill and the income certainty which once came with government programs for major crops no longer exists. Adjustments to these changes in conditions are occurring at a rapid pace as farm numbers shrink and concentration in agriculture grows.

Mr. Chairman, the economic upheavals that pose such a serious challenge to our farm families are closely paralleled by general conditions in the rural economy. As farming resources become concentrated into fewer hands, we also see a comparable trend in the rural industries closely associated with farming and rural life. Farm product processing facilities, rural retailers, and providers of financial services have become fewer and larger. In many instances, those towns which traditionally served as trade centers are being bypassed. The subsequent challenges to the leaders of those communities are truly profound.

Our Nation's important focus on the quality of our natural environment is one that is shared by our nation's farmers. The 1996 farm bill made important changes in programs meant to assist farmers and coordinate efforts to promote environmental health. Our policies work best when priorities set in Washington are closely coordinated with the natural interest the farmer and rancher have in promoting the health and productivity of the soil and the safety of our food supply.

Mr. Chairman, these trends in farm and rural economies pose significant challenges to the rural communities of our Nation and to those of us who serve them. H.R. 2160 will provide the Agriculture Department with the resources it needs to address the challenges facing rural America. Under the bill, funding is provided for cooperative efforts in agricultural research—the key to sustained economic viability for agriculture. It provides funding for the administration of the basic farm programs established under the farm bill. It provides funding for the delivery of federal crop insurance. It provides funds for the conservation programs which are an increasingly important focus of the mission of USDA. The bill also funds important programs that will help rural communities address the substantial economic challenges they face.

I am concerned about the impact the funding level provided will have on Natural Resources Conservation Service [NRCS] as well as the restrictions that the bill places on the amount of funds that can be transferred for technical assistance work.

According to the Department of Agriculture, the impact of the level of funding that was provided for NRCS salaries and expenses in the committee-passed bill would result in cutting NRCS employment by 500 staff years—over and above the personnel reductions that will occur from the absorption of projected pay increases, inflation, and retirement costs that this bill requires of all agencies within the Department.

It is my understanding the Senate's Agriculture Appropriations Subcommittee recommends a higher level of funding for conservation operations than H.R. 2160. It is my hope the conference agreement will yield a level sufficient to ensure that NRCS is able to carry out vital mandated conservation activities.

With regard to the NRCS funding situation, Committee on Agriculture needs to deal with what I believe was an unintended consequence of language included in the 1996 farm bill. Section 161 of that bill to the extent it imposes a limitation on transfers for activities under the Commodity Credit Corporation Charger Act proven to have detrimental effects on the ability to provide adequate reimbursement for NRCS activities such as the agency's role in the Conservation Reserve Program sign-ups.

Mr. Chairman, I raise these issues because I am concerned about the fact that in terms of real dollars we are spending less today on conservation activities on private land than we did back in 1937. In constant dollars, we invested 6 percent of the 1937 Federal budget for USDA conservation programs. Spending on USDA conservation programs in 1996 was 0.17 percent.

By contrast, the appropriation for the Farm Services Agency [FSA] salaries and expenses represents a level of funding sufficient to run the Agency at the Administration's proposed 1998 level of staffing. The FSA work force has been reduced by more than 500 staff years in fiscal year 1997 since the President's budget was submitted. This reduction in personnel, along with lower nonsalary budget needs, means that FSA requires $44 million less funding in 1998 than the administration's February request, and will mean staffyears can be reduced by 1,000 instead of the 2,000 staffyear reduction included in the President's budget.

Mr. Chairman, I have a very real concern about language that was included in the Committee report regarding NRCS's implementation of the Environmental Quality Incentives Program [EQIP], specifically the allocation formula that was used to determine each State's share of EQIP funds.

The report indicates that EQIP funds were distributed based on historical allocations for programs which are no longer authorized. However, section 334 of the 1996 farm bill states that the purposes of EQIP are to ''combine into a single program the functions'' of the agricultural conservation program, the Great Plains conservation program, the water quality incentives program and the Colorado River Basin Salinity Control Program.

While these individual programs are no longer authorized, the intent of the Agriculture Committee and the conferees was very clear in last year's farm bill, in that this new program was intended to carry out the same types of practices as the repealed programs. The Department is expected to do this in a way that maximizes the environmental benefits per dollar expended, as well as take into account regional priority areas and the significance of the environmental problems being addressed.

Mr. Chairman, I believe combining the cost-share programs in the farm bill was a bold step which should prove to be beneficial in the long term. However, I am concerned that because of the limited amount of resources available and the great number of pressing needs throughout the country, we may have a situation where some types of activities may no longer be considered important, even though they may have legitimate conservation benefits.

Mr. Chairman, we should not tie the administration's hands in terms of the flexibility needed to respond to arising needs. Obviously, if the program does not meet expections, we can legislate changes. However, we should preserve a certain degree of administrative flexibility as well.

I believe that some lesser-known conservation programs that have been carried out over the years have yielded this country a great deal of benefit, and I want to ensure that this continues to be the case.

In my district, dairy farmers are striving mightily to comply with environmental requirements. We must do all we can to ensure that areas with specific needs have access to the programs and funding needed to meet particular, legitimate conservation and environmental activities.

Mr. Chairman, this is a good bill overall but it does have one significant blemish. The Appropriations Committee adopted an amendment designed to eliminate the jobs of the Administrator and Deputy Administrator for Farm Programs of the Farm Services Agency. As I understand it, the amendment stemmed from the dissatisfaction of its sponsor with a policy decision related to the Conservation Reserve Program. Frankly, by the trivial approach taken by my colleagues on the committee. This provision is particularly unworthy in light of the important and profound work accomplished by this legislation in so many other areas.

Mr. Chairman, I intend to offer an amendment to strike this provision from the bill, and I hope my colleagues will join with me to acknowledge that there are better ways to respond to adverse administrative decisions than to eliminate the jobs of Department officials.

Finally, Mr. Chairman, it appears that once again we will use the annual agriculture appropriations process to debate the merits of several farm bill programs. While the House has the ability to address these issues—and did so during debate on the farm bill—through the normal legislative process, we will again rehash these debates today.

Mr. Chairman, our colleagues continue to challenge farm programs in spite of the evidence of their success. Ours is the best-fed nation in the world. Our food is delivered to us in return for a lower percentage of disposable income than any other industrial nation in the world. Nonetheless, Mr. Chairman, we will hear today the sad story of how our Nation's's family farms are somehow managing to take advantage of the enormous candy-manufacturing conglomerates.

Mr. Chairman, I hope my colleagues will pay careful attention and will acknowledge the many reforms made to our program in the 1996 farm bill, and stand against these amendments which, if adopted, would greatly diminish the standing of an otherwise excellent piece of legislation.

Mr. Chairman, I thank my colleague for the time, and I again wish to commend the Committee on Appropriations and its leadership for the excellent work they have done on this important bill.

Mr. FAZIO of California. Mr. Chairman, I rise in support of H.R. 2160, the Agriculture appropriations bill for fiscal year 1998.

First, I need to thank my chairman, JOE SKEEN, and the ranking Democrat, MARCY KAPTUR, for their work and assistance this year. This is my first full year on the subcommittee, and I have enjoyed participating in our budget oversight hearings and offering a much-needed California perspective.

The work of our subcommittee was nearly doubled this spring because of our consideration of the supplemental appropriations bill. I want to commend JOE SKEEN in particular for his inclusive manner during those proceedings—he included JIM WALSH and me in his deliberations on the agriculture components of that bill because we were conferees on the bill representing other subcommittees, and that spirit is evident throughout this bill as well.

H.R. 2160 is not a perfect bill. In fact, it continues an alarming trend in providing the absolute minimum resources to USDA to run the Farm Service Agency, the Natural Resources Conservation Service, and the rural development agencies and other important agencies in order to fund some other significant initiatives.

For example, we have done a good job in proposing increases for the President's initiatives in the area of food safety and youth tobacco prevention, as well as increasing resources for competitive research and for the operations of the Food and Drug Administration. We've increased WIC although not as much as the administration requested. We have also funded the administrative costs of crop insurance—a new responsibility handed to us by the 1996 farm bill.

However, those increases have come at the expense of many of the Department of Agriculture's normal operations, where we have actually reduced salaries and expenses for many agencies. Over time, this can only have a detrimental effect for the services that many of our farmers and others expect from USDA.

We also had some contentious debate in the full committee and some unfortunate party line votes on some less consequential matters. I was particularly disappointed in one amendment adopted in the committee that added report language recommending that up to $4.75 million be made available for a building at Auburn University.

Actually, I support a limited amount of funding in this account. My highest priority has been the final Federal funding component for an important integrated pest management research facility at the University of California at Davis.

A new pest is introduced into California every 60 days, and it is imperative that we have the up-to-date facilities to develop effective methods to deal with them. This facility will support and accelerate research needed for environmentally compatible pest management strategies.

Institutions who benefit from these funds—such as the University of California at Davis—are required to provide a specific and verifiable cost-share. So this program represents a real commitment by State governments and the Federal Government to developing the successful agriculture strategies of the future.

I understand the desire by the committee to phase out and halt this funding over time. However, I believe we have a responsibility to States that have put up hard matching dollars in good faith and whose projects are within a reasonable range of funding for completion. Since the bill lacks funding in this account, I was disappointed that the committee voted along partisan lines to single out the building at Auburn for special consideration.

Despite some of these reservations, I support the bill and I think JOE SKEEN and MARCY KAPTUR have done a good job under demanding circumstances.

I have particular praise for several items of importance to California agriculture and to my district.

First, the bill has fully funded the President's proposed food safety initiative—or, I should say, comes within $200,000 of fully funding the President's initiative. We include funds for the Food and Drug Administration to improve surveillance, upgrade research and inspections, and perform increased risk assessments. We also provide funds for the Food Safety and Inspection Service to increase related surveillance and inspections. In addition, the food safety initiative increases related research in both the Agricultural Research Service and the Cooperative State Research Education and Extension Service.

This is a promising initiative, and it is an area of increasing importance to the health concerns of American consumers. I am very happy to have had a part in pushing this initiative forward, and I commend our chairman and other members of our committee for ensuring that it is funded in a year when our agriculture budget is under considerable stress.

Second, the bill provides funds mandated by the Agriculture Committee for the Market Access Program [MAP].

I anticipate that this program will come under attack again this year by an amendment seeking to eliminate it.

But there is probably no more important tool for export promotion than MAP. In California, where specialty crop agriculture is the rule, export promotion is extremely important.

Agriculture exports climbed to $59.8 billion in fiscal year 1996—up some $19 billion or close to 50 percent since 1990. In an average week this past year, U.S. producers, processors and exporters shipped more than $1.1 billion worth of food and farm products to foreign markets, compared with about $775 million per week at the start of this decade.

The overall export gains raised the fiscal year 1996 agricultural trade surplus to a new record of $27.4 billion. In the most recent comparisons among 11 major industries, agriculture ranked No. 1 as the leading positive contributor to the U.S. merchandise trade balance.

As domestic farm supports are reduced, export markets become even more critical for the economic well-being of our farmers and rural communities, as well as suburban and urban areas that depend upon the employment generated from increased trade.

Agriculture exports strengthen farm income.

Agriculture exports provide jobs for nearly a million Americans.

Agriculture exports generate nearly $100 billion in related economic activity.

Agriculture exports produce a positive trade balance of nearly $30 billion.

MAP is critical to U.S. agriculture's ability to develop, maintain and expand export markets in the new post-GATT environment, and MAP is a proven success.

In California, MAP has been tremendously successful in helping promote exports of California citrus, raisins, walnuts, prunes, almonds, peaches and other specialty crops.

We have to remember that an increase in agriculture exports means jobs: a 10 percent increase in agricultural exports creates over 13,000 new jobs in agriculture and related industries like manufacturing, processing, marketing and distribution.

For every $1 we invest in MAP, we reap a $16 return in additional agriculture exports. In short, the Market Promotion Program is a program that performs for American taxpayers.

Third, the committee has continued to provide the greatest possible funding for research stations of the Agricultural Research Service, and through the special grants and competitive grants in the Cooperative State Research Education and Extension Service.

I am particularly grateful that funds have been provided in support of our nutrition research centers. These centers will play an important role in the food safety research that will be a vital part of the food safety initiative. Funds have also been provided to begin the move of the Western Human Nutrition Research Center to the campus of the University of California at Davis. I believe its location there, along with one of the preeminent nutrition programs in the nation as well as our ag and medical schools, will provide the synergy necessary to make important research strides in the years to come.

There are other research areas of importance to California, including alternatives to the use of methyl bromide, PM–10 particulate air quality research, sustainable agriculture practices, and alternatives to rice straw burning. Certainly our future success in agriculture, especially market-oriented agriculture as envisioned by the 1996 farm bill, will require an on-going commitment to research if we are to maintain the U.S. lead.

In summary, this is a fair bill given the many needs and many issues within the committee's jurisdiction. I commend Chairman JOE SKEEN and Ranking Member MARCY KAPTUR for their leadership in support of American agriculture, and I urge my colleagues to support H.R. 2160, the Agriculture appropriations bill for fiscal year 1998.

The CHAIRMAN. All time for general debate has expired.

Mr. SKEEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. LINDER, Chairman 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. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes, had come to no resolution thereon.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

TAX RELIEF FOR MIDDLE CLASS FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I wanted to talk to my colleagues tonight about taxes. I think it is very, very important to understand why the working middle class families of America need tax relief. Here is a chart that I hope everyone can see that shows in the 1950's the average American family, of average income, paid about 6 percent Federal income tax. In 1994, it was 23 percent Federal tax burden. Today, the Federal tax burden, 1995, is 39 percent. As my colleagues can see, the working middle class families are paying higher taxes than ever before in history.

We need tax relief. Because the less taxes people pay, the less taxes families pay, the more time they can spend with each other. One of the key benefits of that is so that moms and dads can spend time with their children and impart information and help raise them.

□ 2115

Now what does our tax relief bill do? Our tax relief bill gives 76 percent of the tax relief to middle-income families making between 20 and $75,000. That is this big chunk right here. That is who is getting the tax relief. That is who needs tax relief. I think that we should get over class envy, but it is very important to point out that most of the tax relief, 76 percent, goes to people earning or families earning between 20 and $75,000.

Now over a 10-year period of time, if you look at the tax relief, you can see that 90 percent of the tax relief goes to family and education or families for educational purposes. Seventy-five billion dollars in tax relief for educational uses over a 10-year period, and $150 billion over 10 years for the $500 per child tax credit; that is a huge tax reduction, and it all goes for the right purposes.

Now we got a big debate going on that you may hear about, about the tax bill, and that is why I invite Members of Congress and members of the public to look this up on the Internet. Find out what the family tax relief plan could mean to your family.

I am going to say what the Internet number is. It is http://hillsource.house.gov, and there is also a Senate page that you can get too, but today you can look up on the web page exactly what this tax relief bill could mean to you for your $500 per child tax credit, HOPE scholarship, for your children to enter an education, your IRA dream savings account expansion.

There is a lot to it, and I would urge members of the public to look it up on the Internet.

And, Mr. Speaker, I will be happy to yield to my friend from Pennsylvania.

Mr. FOX of Pennsylvania. I understand the gentleman yields.

Mr. KINGSTON. Yes.

Mr. FOX of Pennsylvania. Mr. Speaker, I think the fact is that this has widespread support among the public and also Congress. Was this not the agreement that the President has made with Congress to move forward with this family tax plan?

Mr. KINGSTON. Yes, and it is very interesting that the gentleman will point out that the President is working with the Republican Party on a bipartisan basis to give this middle class tax relief.

There are Members, liberal extremists, on one fringe element of his party who is against tax relief for the middle class, but for the most part this is a bipartisan middle class tax relief bill.

I yield to the gentleman from Pennsylvania.

Mr. FOX of Pennsylvania. Not only will it help seniors with the estate tax assistance and also helps with the capital gains tax to grow jobs and the economy, but the education tax credits will help families send students to college.

I know my own district, 108,000 families will benefit from the $500 per child tax credit.

So this is an idea whose time has arrived.

Mr. KINGSTON. Absolutely, and I know in my First District that I represent of Georgia it will give tax relief, we figure, to about 300,000 people in the coastal Georgia area alone.

But you know the more money you have as a wage earner, the more money you have in your pocket, because we as a confiscatory government take less of it, that means you are going to spend more. You are going to buy more shoes, more shirts, more records, you are going to go out to eat more. When you do, businesses will expand because of the demand. When they expand, they create more jobs. When they create more jobs, more people are working, more people are paying taxes, fewer people are on welfare, and cutting taxes, therefore, is very consistent with the goal of deficit reduction.

Mr. FOX of Pennsylvania. You are absolutely right.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 5 minutes.

Mr. UNDERWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

REPUBLICANS ON THE SIDE OF THE WEALTHY WHILE DEMOCRATS ARE FIGHTING FOR MIDDLE-CLASS FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, yesterday Speaker Gingrich stood in the well of this House and he invited, as my colleagues just did, the American people to visit the House Republican web site, calculate their estimated tax savings under the Republican plan. So I thought let us see how the average working taxpaying mother with two kids would fare under the Republican plan.

So I entered in an income of approximately $25,000. I received an error message saying that they could not calculate her savings. Perhaps that is because this family would get a big fat zero, no tax break at all under the Republican tax plan.

Then I entered in the data for someone making $1 million a year, half of that in capital gains. The Republican calculator had no problem figuring out their tax break, $40,000.

That is right, a millionaire gets $40,000 back, and the average working taxpaying mother gets nothing, gets zero.

The Washington Post editorial this morning hit it right on the nose, and I quote: ''The Republicans have written a tax bill tilted heavily toward the better off.''

If anything, this was an understatement. The Post labels their editorial, and I quote again, ''Tax Trash,'' which perfectly describes the Republican tax bill. In fact, there are so many bad things in this bill it is hard to know where to begin.

But let me tell you the story of three young people which drives home the point of how unfair this Republican tax proposal really is.

Today I received a visit from three students: Anthony Dugdale, Scott Saul and Lori Brooks. They are all graduate students at Yale University in my hometown of New Haven. These young people took the train all night from Connecticut for the express purpose of protesting the fact that in this bill the Republicans actually raised taxes on graduate students in this country, and they brought with them the signatures of 600 other graduate students protesting this provision in the Republican tax plan.

These students are rightly outraged that Republicans are planning to reward their hard work as research assistants and teaching assistants by raising their taxes on the grants and the tuition waivers that they receive. These young people, if you heard them speak today, are committed to education, they are committed to working in their community, they are committed to a teaching profession. Under the present tax program a student receiving a $10,000 cash stipend for being a teaching assistant and a $20,000 tuition waiver would only be taxed on a stipend. If the student pays 15 percent of his or her stipend in taxes, $8,500 remains for living expenses. Under the Republican plan, the stipend and tuition waiver will be taxed; that has not happened in the past, leaving the student with only $5500 to live on. This is a $3,000 or a 35 percent cut in the student's net income.

Mr. Speaker, these are youngsters from working middle class families trying to make their way and to be able to get a higher education. Calling waivers and grants financial incentives, which is what the Republicans are calling these waivers, this equates these young people with what they are getting in terms of a higher education tax relief with company cars and other perks given to the top corporate executives in this country. In reality, taxing grants and tuition waivers will penalize America's future educators and public servants.

I will tell you that these young people and their families are being squeezed in order that my Republican colleagues can provide a tax break to the richest corporations in this country, the Exxons, the Boeings. They would repeal the alternative minimum tax. That is the rate at which the richest corporations pay taxes in this country. They will repeal their tax obligation or scale it back, therefore providing up to $22 billion in a tax break, and they would, in fact, raise the taxes on graduate students in this country.

Mr. Speaker, it is unfair, and it is wrong, and it should be defeated.

Mr. Speaker, I include for the RECORD the Post editorial.

TAX TRASH

The Republicans have written a tax bill tilted heavily toward the better-off. The Democrats, led by the president, have rightly called them on it. No matter that in agreeing to the budget deal earlier this year, they were paving the way for what they now deplore; they have the Republicans on the defensive.

The Republicans in turn have adopted a new technique. Rather than argue as they might have done in the past about the virtues of the bill, they engage in distortion. It used to be otherwise on taxes. The question of who would benefit from a bill—who would be the first-order beneficiaries—would be left to the professionals. They would put together so-called distribution tables according to fairly well-accepted principles. Then the politicians would argue about the fairness of the bill, or lack of it, from an established base. Defenders of a bill such as this might say it was necessary to encourage savings and investment and thereby stimulate economic growth, or that it would have the useful effect of limiting governmental growth in that if the government had fewer revenues it would be less disposed to spend. Or they might make the political argument, faint echoes of which are still heard, that those who were charging unfairness were indulging in the somehow seamy politics of envy and class warfare.

All fair enough, but now the argument is in a different place. The people who wrote this bill aren't defending its distributional consequences; they're denying them. The plain facts are that the bill over time would not just mainly benefit the better-off but would cost the government revenues it can't afford; the bill is carefully written in such a way as to make the revenue loss look small at first. Then it soars. It's not just the Treasury (and thereby the administration) that says so, using accepted methods and conventions of analysis. The Congressional Research Service and the vast majority of other analysts do so as well. Congress's Joint Committee on Taxation says otherwise. The JCT was once the great redoubt of integrity in such matters. It has been converted into a political parrot.

Everyone understands that this is a backloaded bill. Its short-term effects are not reflective of its likely long-term consequences. It will take 10 years or more for its main provisions to begin to have their full effect. The JCT staff nonetheless persists, at the behest of its masters, in putting out five-year estimates whose principal function is to distort that effect. It violates its own proud tradition in doing so. It uses illusory accounting to make the capital gains and other tax cuts in the bill appear for a time to be tax increases.

There is always some gamesmanship surrounding tax bills. Inflated claims are made. One side will tell you that the entire economic future depends on passing a certain provision, and the other will tell you that the same future depends on defeating it. But there used to be a basis of trust underlying the debate as well. You could be confident that at a certain level you were being told the truth about the consequences of a bill. In their trashing of the estimating process in order to justify a tax policy that doesn't deserve to survive, the Republicans have destroyed that trust. That may be the worst consequence of this legislation, which already was awful enough.

EUROPE SHOULD NOT MEDDLE IN THE INTERNAL AFFAIRS OF U.S. BUSINESSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, the objection of the European Union to the merger of the McDonnell Douglas and the Boeing Co. is unreasonable and will not be tolerated. These two wholly owned American companies intend to merge early next month. The review reputedly conducted by the European Commission was, in fact, controlled by Airbus Industries and its member nations. The decision by the EC is threatening the U.S.-European relationship. If it continues, it will have damaging effects now and into the future.

The stand of the European Union is unacceptable for several reasons. First, the parties involved are both wholly owned United States companies with a global customer base. Second, the objections raised by the European Union regarding the abandonment of exclusive contracts awarded to Boeing is inappropriate. Airbus Industries was an eligible competitor for each of the three contracts and was not awarded them based on the decisions by the specific companies. Airbus never objected to carrier requests to make contracts exclusive in return for reduced prices until they lost out in the contract. In fact, even the European Commission objected only after the agreements were concluded.

It is inappropriate to risk United States jobs because the free market worked its will. In fact, the initial long-term contract from U.S. Airways was awarded to Airbus; that is, the initial long term contract was awarded to Airbus prior to these agreements. That is right, Airbus created the very ideas of exclusive contracts.

The proposal by the European Union to require Boeing to divest of their interest in McDonnell Douglas commercial aircraft is unacceptable as well. The United States Federal Trade Commission conducted a thorough review of the proposed merger and concluded that McDonnell Douglas is no longer able to sell enough commercial aircraft to raise significant concerns about the loss of its competition. Last year McDonnell Douglas was responsible for only 4 percent of the global commercial airplane business.

The divestiture by Boeing of the McDonnell Douglas commercial aircraft business would have severe ramifications worldwide. First it threatens Americans' jobs that are tied into the continued support of McDonnell Douglas aircraft by the Boeing Co. Further, McDonnell Douglas' commercial aviation division cannot maintain itself as an independent company, and previous efforts to sell the commercial aviation division have been unsuccessful. Therefore, any divestiture would threaten the safety of McDonnell Douglas commercial aircraft already in service if the commercial division was to close.

The last thing this Congress should support is the divestiture of McDonnell Douglas' commercial aircraft because it would result in the loss of over 15,000 American jobs, that is 15,000 American jobs.

Mr. Speaker, it is vital to the health of the United States to downsize through mergers the military industrial base as we celebrate the end of the cold war period and adjust military budgets accordingly. Because of the large defense business that will be conducted by the Boeing Co., any action by the European Community is an infringement on the sovereign rights of the United States to provide for U.S. national security.

Mr. Speaker, over 80 percent of Americans agree with me that Europe should have no say in the internal dealings of two American companies. I urge every Member to contact my office and

sign on to a letter to the European Union clearly stating Congress' belief that Europe should not meddle in the internal affairs of U.S. businesses. Europe should have no say in American markets' decisions that ultimately cost American jobs and American sovereignty.

□ 2130

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentlewoman from California [Ms. MILLENDER-MCDONALD] is recognized for 5 minutes.

[Ms. MILLENDER-MCDONALD 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 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.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

[Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

BOTH DEMOCRATS AND REPUBLICANS WANT TO HELP PEOPLE, AND VOTING FOR LESS GOVERNMENT IS FREQUENTLY THE BEST WAY TO ACHIEVE THAT

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, it is totally false to say that one party cares more about the environment or children or senior citizens than the other party. I do not understand why we have to constantly attack each other or question each other's motives to express our views.

Neither party has a monopoly on virtue. Neither party has cornered the market on compassion. I know I am going to state some things that should be obvious but that are often questioned around here.

Republicans love children just as much as Democrats do. Republicans want a clean environment just as much as Democrats do. Republicans have just as much compassion and sympathy for the disabled and senior citizens as Democrats do. Republicans support education just as strongly as Democrats do, and vice versa. I repeat, no one has cornered the market on compassion. No one has a monopoly on virtue.

We do have differences of opinion. We have different philosophies and beliefs about the best ways to help people. But all of us, both Democrat and Republican, want to help people. We all want to make this Nation a better place in which to live.

Republicans believe that big government hurts children by taking so much money away from parents and spending it instead on bureaucrats, fat cat government contractors, and administrative costs. Republicans have looked all over the world and have seen that big government benefits the few, the elite, those who work for or have connections with the government. Republicans believe government means a minute, elite class and a huge underclass, and that conversely, a small government means a huge middle class.

Look at the former Soviet Union, where the leaders of the Communist Party had their limousines and dachas by the sea and special stores in which to shop, while almost everybody else led a starvation existence. Look at the United States in 1950 where the average person paid 2 to 4 percent in taxes to the Federal Government and another 2 to 4 percent to State and local governments. We had a huge middle class and a much smaller difference between the rich and the poor. Now almost 50 years later, Government has exploded and the average person pays almost half of his or her income in taxes when we count taxes of all types, Federal, State, and local.

What has happened? Many middle-income people are finding it harder and harder to keep ahead. Personal bankruptcies hit an alltime record of 1.1 million last year. The gap between the rich and the poor is growing wider and wider.

Also, where many mothers formerly had their choice of staying home with their children if they wished, today, with half of the average family's income going in various forms of taxes, one spouse has to work to support the Government while the other spouse works to support the family.

My point, Mr. Speaker, is simply this: Sometimes the best way to help children and families is not through another Government program which has a good apple-pie-and-motherhood title but which really helps only a few bureaucrats and Government contractors.

The Job Corps is a prime example. Today we spend $25,000 per Job Corps student. This would shock most of these students, because almost all of this money is going to bureaucrats and contractors. We could take each Job Corps student and give them a $1,300 allowance and send them even to an expensive private school and still save money. This is how ridiculously expensive this and many other Federal programs have become.

My time is limited, Mr. Speaker, but let me mention the environment. The worst pollution in the world has occurred in the Socialist and Communist countries. Big government is bad for the environment. Only in a free market system can we generate the funds necessary to do the good things for the environment that all of us, both Democrat and Republican, want done. Also, people take better care of their own property than they do someone else's. Private property is not only good for the environment, it is essential.

John Stossel of ABC News had a special on television a couple of years ago in which he pointed out that to clean our air to the almost impossible standard demanded by some groups would cost so much that it could throw millions of people into poverty. He presented a study which showed that we might add one day to the life of the average person by getting tougher on clean air, but that poverty decreases lifespans by 7½ years.

Is it compassionate, Mr. Speaker, to vote for some bill because it does some microscopic good for the environment if in the process it destroys millions of jobs, drives up prices, and hurts the poor and working people? Is it compassionate to go overboard on the environment if it throws possibly millions into poverty?

Finally, Mr. Speaker, all I am saying is this: that both parties want to help people and make this Nation better. Sometimes we do that by voting for government programs. Today, with our huge out-of-control Federal Government, more frequently we help people by voting for less government.

AMERICA NEEDS A BALANCED APPROACH TO FIGHTING JUVENILE CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. STUPAK] is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, I rise today to discuss the issue of juvenile justice in this country. Everyone knows that juvenile justice and juvenile crime is a growing concern in this country. But with the majority party, it seems that they cannot make up their mind on how they want to approach this issue.

Yesterday, in a bipartisan approach, we suspended the rules and we passed H.R. 1818, the Juvenile Crime Control and Delinquency Prevention Act, sponsored by the gentleman from Virginia [Mr. SCOTT], the gentleman from California [Mr. MARTINEZ], and the gentleman from California [Mr. RIGGS]. The bill reauthorized the Office of Juvenile Justice and Delinquency Prevention, and made several changes to that office to refocus the Federal effort to prevent juvenile crime before it occurs.

The bill contained four core requirements which States must comply with: deinstitutionalization of status offenders, separating juveniles from adults in prison, limiting the time that juveniles spend in adult facilities, and addressing efforts to reduce disproportionate minority confinement.

It is a solid bill, and I was proud to support the bill. The bill further emphasized prevention and intervention through local initiatives, through local programs and projects which will address concerns in the local community, not something mandated by the Federal Government. It is our hope that these programs will discourage dropouts from high schools, reduce school violence, and prevent suspensions and expulsions.

However, the bill failed to identify and appropriate money for this Federal effort to prevent juvenile crime. Yet earlier this year the majority party on basically a very partisan vote did appropriate $1.5 billion over the next 3 years in a juvenile justice bill that was named H.R. 3, which takes an entirely different approach to juvenile crime and juvenile offenders.

H.R. 3 that was passed in May rewards States that implement the most harsh new mandates against juvenile offenders. States would be required to adopt a controversial mandate that many children as young as 15 would be tried as adults. It requires automatic transfer of 14-year-old children to adult court, and prohibits judicial review of these juvenile transfers. It would reward these States with $1.5 billion to punish kids and to treat them as adults, something that ensures that more 15-year-old children will end up housed with convicted adult criminals and convicted adult felons, greatly increasing the chances of rape, abuse, and suicide in our prison system, and increasing their chances of committing violent crime sooner upon release.

Mr. Speaker, having been a law enforcement officer, and we have dealt with many law enforcement officers throughout this debate on juvenile justice in the last few months, prosecutors, judges, teachers, counselors, and parents all agree that there is another, better approach, a better way to prevent kids from even becoming criminals in the first place. Intervention and early prevention programs in schools and communities and recreation centers have proven to be the most effective way to prevent juveniles from getting involved in illicit behavior.

In communities that employ prevention programs, the juvenile crime rates have fallen. Since an aggressive prevention program went into effect in Boston, not a single juvenile murder has occurred there since July 1995. It is a system that works. Let the local communities decide, give them the flexibility to do their job, and we should seek to encourage the development of these prevention programs in every community across America.

In fact, the alternative bill to H.R. 3, the Democrat bill I sponsored is exactly the approach it takes. As the other body prepares to consider the juvenile justice bill and is currently working on it at this time, I urge them to look at the facts. When it comes to dealing with children, you get tough on crime by preventing criminal behavior, not by trying to lock up every juvenile offender.

On May 8, I offered, along with the majority of Democrats, a substitute to H.R. 3 which stated that over 60 percent of the funding should go to communities for their local prevention programs. Two hundred Members of this House voted for this substitute, rejecting H.R. 3, the majority party's punishment-only approach. We need a balanced approach to fighting juvenile crime. We need a bill that is tough and is smart.

Mr. Speaker, I just happened to receive in my office today this week's Time magazine. If Members look at the Time magazine this week, this debate that I just mentioned is highlighted in Time magazine starting on page 26, Teen Crime. ''Congress wants to crack down on juvenile offenders. That is H.R. 3, the majority party approach. But is throwing teens into adult courts with adult prisoners the best approach?''

As we go through it they cite the Boston case that we as Democrats relied on, and how to start a cease-fire to reduce juvenile crime to make people safe and secure in their communities and their homes.

Then, unfortunately they show what a tragedy happened in Michigan here in the past few weeks. The bottom line of these three articles was basically there is an approach for juvenile offenders. There is a smart choice and a substitute for H.R. 3 that is the best way to go.

IN SUPPORT OF THE HOUSE VERSION OF TAX RELIEF, MEDICARE IMPROVEMENTS, AND MEDICARE CONSUMER PROTECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise tonight to address a few issues with my colleagues; first, the tax cuts that have been discussed earlier this evening by the gentleman from Georgia [Mr. KINGSTON].

I think it is good to point out that in the charts that he showed, it was interesting to note that 75 percent of the tax cuts would go to families with incomes of $75,000 or less, and that every family would have a chance to be able to use one tax cut or the other, whether it is child tax credits, estate tax relief, education tax credits, and capital gains tax cuts, of course, to help create new jobs and savings. The last time we had such success was with the Kennedy and Reagan administrations.

Tonight, I also wanted to talk about how the House is on the move in the right direction on Medicare, and how we need to stop, therefore, the proposal within the Senate in the conference committee. The Senate has talked about raising Medicare's age from 65 to 67, to increase patient's copay for home care to $5 per visit, and to means-test Medicare.

From the perspective of the House, we want to make sure in the conference committee that the House version prevails, Mr. Speaker, because that will make sure that seniors who have paid into the system will, in fact, get the benefit of knowing at 65 they will have a Medicare that in fact will be a cost-effective program for them.

Currently many seniors, Mr. Speaker, who retire early, either voluntarily or forced, are uninsured. These seniors, while eligible for COBRA, often find themselves with a gap between the time COBRA ends and Medicare begins. By increasing the Medicare eligibility age, we can assure an increase in the number of uninsured seniors.

It also should be noted that the Medicare proposal from the House which is so positive includes voluntary choices for seniors with Medicare plus. It also provides for traditional fee-for-service Medicare, provider-sponsored organizations. It also includes medical savings accounts and preferred provider organizations.

The most important part of the new Medicare proposal, Mr. Speaker, has preventive services, a new package of health care benefits for our seniors. It includes, among other things, annual mammography screening, annual Pap smears, annual prostate cancer screening, colorectal cancer screening, diabetes self-management, annual vaccine outreach for pneumonia, and influenza. The bill includes these essential items to give seniors increased health care coverage when they need it most, before they become ill.

It also includes some very logical, tough, antifraud and abuse efforts. It is amazing for people to hear about this, but there is $30 billion a year in fraud, waste, and abuse in Medicare. If we can make sure that gets back to seniors from their health care, we will go a long way to making sure that Medicare is solvent not only for the next 10 years but beyond that, Mr. Speaker. That is a very important feature.

We can also reduce the paperwork costs of Medicare. Traditionally it has been about 12 percent. With electronic billing we can reduce that to 2 percent.

But some of the most important provisions of the bill make sure that we have consumer protection. The bill contains in the House Medicare version a wide-ranging series of changes of design to modernize Medicare's 30-year-old payment and health care delivery system. Primary among them are the new consumer protection. The modernization program requires that all Medicare Plus programs make medically necessary care available 7 days a week, 24 hours a day, and 365 days a year. It also makes sure that Medicare Plus plans have grievance and appeal mechanisms in place to protect beneficiary rights.

So I am very hopeful that the conference committee, they have received letters from a bipartisan group of House Members that have gone to the Speaker of the House, the gentleman

from Georgia, Mr. NEWT GINGRICH, and they are going as well to the minority leader, the gentleman from Missouri, Mr. GEPHARDT, to the majority leader, Mr. LOTT, in the Senate, and as well to the minority leader in the Senate, Mr. DASCHLE.

□ 2145

We believe that the House version is a positive one for seniors, the one that should pass. We know in fact that it is best because it will make sure that we do not have means testing. We stop the co-pay increase for home health care and we make sure that the Medicare age is not raised from 65 to 67. So all seniors in America will be protected.

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from Massachusetts [Mr. DELAHUNT] is recognized for 5 minutes.

[Mr. DELAHUNT 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 Virginia [Mr. SCOTT] is recognized for 5 minutes.

[Mr. SCOTT. 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 California [Ms. LOFGREN] is recognized for 5 minutes.

[Ms. LOFGREN. 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 gentleman from North Carolina [Mr. WATT] is recognized for 5 minutes.

[Mr. WATT of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE REPUBLICAN TAX PLAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Missouri [Mr. HULSHOF] is recognized for 60 minutes as the designee of the majority leader.

Mr. HULSHOF. Mr. Speaker, this week there is much discussion, there is much speculation about the negotiations that are ongoing between the President and congressional leaders in the House and Senate. Hanging in the balance, Mr. Speaker, are the prospects of a bipartisan balanced budget plan. Hanging in the balance are the prospects of staving off the impending bankruptcy for Medicare, our health care system for senior citizens. And hanging in the balance through these negotiations are the prospects for permanent tax relief for men and women all across this country, essentially whether or not we want to let moms and dads across this great land keep more of what they earn.

With the recent debate, Mr. Speaker, about tax relief centering more and more around detailed numbers and percentages and Treasury Department calculations, perhaps I should say Treasury Department miscalculations, it is easy to lose sight of what our tax relief package is all about, what it means to working families who have not had tax relief in nearly two decades.

I know that I am but a single voice crying out on behalf of hard-working men and women across this country, but I hope to include the pleas and the statements of those who came to Capitol Hill. Some working mothers in fact who came to Capitol Hill this month who quickly reminded us, gave us a reality check that tax relief is more than just abstract numbers. It is about take-home pay. It is about purchasing power. It is about freedom to make choices in raising a family.

For example, it is about Debra from Dale City, VA. Debra is the divorced mother of a 17-year-old, an 11-year-old and a 10-year-old. Keeping more of her money means being able to help her three children reach their dreams. The dream of Debra's college-bound daughter is to attend college and become a doctor. For Debra's middle daughter, she aspires to be a teacher. And although Debra is determined to help bring her daughters' dreams to fulfillment, it is not going to be an easy task.

Mr. Speaker, the House-passed version of the Taxpayer Relief Act a couple of weeks ago will make things a little bit easier for Debra and for her family. With the child and the education tax credits, for instance, Debra will get to keep more of what she earns, making it easier to send her kids to college and to fulfill their dreams. In fact, just with the child tax credit, the Republican version of the child tax credit, in calendar year 1998 Debra will get to keep $800 more of her own money next year and $1,000 more in the following years. She can save for her kids' education, putting money way in a dream savings account.

Our House plan also allows Debra to participate in education initiatives like the education credit for college deduction which helps defray the expenses, the out-of-pocket expenses for Debra's college age or college bound kids for tuition, for books and for fees.

That is what this tax relief is about. It is not about numbers; it is about real people. It is about Don and Carnetta from my home town of Columbia. Don and Carnetta are both in their senior years. Don recently retired from a career at Wal-Mart. Part of the compensation package that Don had during his career at Wal-Mart was that he was given shares of Wal-Mart stock as incentive to build for his pension, to put his nest egg away for he and Carnetta. He fervently hopes, anxiously is awaiting whether or not the President will sign our tax package into law because what it means to 2 million seniors that are in the 15-percent income tax bracket across this country is a capital gains cut from the 28-percent margin all the way down to 10 percent, if the President would enact and sign into law this much-needed relief effort. It is not about numbers. It is about people.

I happened to receive a letter in the last 2 weeks that I want to paraphrase just a bit, Mr. Speaker, if I can. It says, ''Dear Mr. Hulshof, I am a star-ranked scout in Troop 50. I will be a 7th grader at St. Peter's in Fulton, MO. I am 12 years old. I am in favor of the tax cut,'' says Michael, ''because if taxes are cut, people will have more money. When they have more money, they spend or invest more. Then if they spend more,'' Michael writes, ''more needs to be produced. This increased demand means more people are needed to produce and then employment goes up. Increased employment means people are working more and paying more taxes which increases revenue to the Government, which means fewer people collect entitlements from the government resulting in less expense to Government.''

Michael goes on to write, keep in mind, Mr. Speaker, Michael is a 7th grader, 12 years old at St. Peter's in Fulton, MO. Michael says, ''Every time I hear the Democrats or certain members of the press talk about tax cuts, they say, how will the Government pay for the tax cut? But they never ask how the employed taxpayers are going to pay for the tax increases. Thank you for all the hard work you do. Thanks for considering my input.'' Signed, Michael.

Well, Mr. Speaker, I think sometimes suffer ye unto the little children and out of the mouths of babes sometimes come pretty poignant points. I think Michael has somehow grasped something that we here in Washington from time to time forget. It is not our money. It is the American people's money. We are not giving it back to them. We are letting people keep it in the first place.

For instance, in my congressional district, in the 9th Congressional District of Missouri, if the President will sign into law the Republican-passed tax relief package, the child credit alone, there are 84,000 children in the 9th Congressional District of Missouri whose parents will qualify for the $500 per child tax credit. What that means is nearly $39 million get to stay in the 9th District of Missouri and do not have to be collected by the Government and sent here to Washington where oftentimes we spend it very unwisely. This is just one way that this tax relief package will help all Americans. It is not about numbers. It is about people.

I see my friend and colleague from Missouri, from the 7th Congressional District of Missouri, is in the well of the House.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. BLUNT].

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

I saw that same report, I think it was from the Heritage Foundation, about children in our districts. I was amazed that in the 7th District in southwest Missouri, the southwest corner of Missouri, 74,533 children, by that moment's count, and there are probably a few more children than that now that will benefit, would benefit, 74,533, over $34 million in one year alone will go back into our economy because of just the $500 per child tax credit. That does not count the other tax benefits in our economy and our district.

We do not understand, I think, how this process works as well as Michael, who you were referring to from St. Peter's at Fulton, a 7th grader who already understands that taking this money off of tax rolls may not reduce taxes because things happen in the economy when you let people keep their money. We constantly want to talk here in the Congress about giving people money, giving them a tax break. What we are really just doing is we are deciding not to take as much of their money. It is their money. They work for it.

We have an obligation as Members of Congress to do all we can to keep the money that working families have in their family checking account, in their family savings account, in their savings account for college, in their savings account to buy a home or buy a new car. We have an obligation to manage their money like they have to manage their money, where every penny has to count.

I think with this kind of new responsibility of leaving money with families, we are understanding again that they can spend their money on their behalf better than we can. Forty-one million children will benefit from the tax cut, the $500-per-child tax credit that the House has sent over to the Senate, 41 million children.

One of the things we did in our tax bill that I am particularly proud of is we expanded the children that would benefit. In the original package that came down from the President, you only got that tax credit until kids were 12. My children are beyond the range of this tax credit right now. They are 26 and 24 and 21. I do not recall that they got a whole lot less expensive when they moved from 12 to 13. In fact it might have been just the opposite. And we are covering millions more children than was originally proposed. Millions of families will benefit that would not have benefited otherwise.

Children born this year, between now and the time of their 18th birthday their family would have a $10,309 tax benefit to go toward college, to go toward expenses while they are growing up, $10,309 per child. You have got three kids in your family, that is $31,000 which you have over the life of those children between the time they are born and the time that they are 18, that you otherwise would not have, $31,000.

We heard earlier this evening here on the House floor about people who would get a benefit from this tax break. The tax break we have sent for the mother with a daughter who is 14, a son who is 16, she gets $1,000, who is working, she gets a $1,000 tax break. That is almost $100 a month. Under the President's proposal we want to remember that that mother may possibly, that single mother with the 14-year-old and the 16-year-old and all kinds of expenses and all kinds of life stress got no break because those kids were over 12. And so this is a significant thing for American families.

The first tax cut in 16 years. How great that the first tax cut in 16 years would have such a focus on families. We have a lot of ways in our country to say families either are not important or they are important. And in our welfare policies and our tax policies we really can take some massive steps to say again to Americans, young Americans and Americans who already have families, that this Government and this country value families.

We think families are important, and that is why the family tax credit for kids up to their 18th birthday and then help for college beyond that is such a focal point of what we are doing here. I want to say to the gentleman, I think this focus on families is such an incredibly important focus, this first tax break in 16 years. We are going to do better than that. If we did not do better than that, this would be the last tax break, based on our history, for that child born this year who is going to save $10,000 in money they send to the Government by the time they are 18. If we go back to the last 16 years of history, they would not have any other tax relief but this.

We are going to be looking I think in the future for what we can do to help families in greater ways, but a cornerstone of this Republican tax package that we got Democrats in the House voting for, too, so it is really a bipartisan tax package that we have sent to the Senate, the cornerstone is a cornerstone that says families matter and we are not going to take money from families because we know families can spend their money better than the Government can spend money on their behalf.

Mr. HULSHOF. Mr. Speaker, I appreciate the gentleman's comments. The fact is that even way back in the early part of this Congress, the first couple months as the negotiations were just beginning, as they were trying to hammer out this budget proposal, to establish the parameters of the balanced budget agreement, the numbers we were provided, an $85 billion net tax cut, a $125 billion gross tax relief over 5 years, with that amount of money then we were required in our committee on the Committee on Ways and Means then to fashion some sort of tax relief. This child credit is an income tax credit.

I know there has been a lot of discussion about whether or not we should expand this income tax credit, that is a credit for those families that pay Federal income taxes, whether or not we should expand that income tax credit to other families who pay no income taxes. I know the gentleman from South Dakota who joins us has been very outspoken on this point.

Mr. Speaker, I yield to the gentleman from South Dakota {Mr. THUNE].

Mr. THUNE. Mr. Speaker, I thank the gentleman from Missouri. I would simply say that in the context of this debate this evening, that this is in basketball what you would think of as the great three point play. It is historic. It is exciting. It is a win-win for everybody.

When you look at what is happening, for the first time in 30 years we are balancing the country's budget. For the first time in 16 years we are bringing tax relief to working men and women in America. And for the next 10 years we are restoring and saving the Medicare system, an important program on which many people in this country rely. Leave it to the liberals, leave it to liberals to try and rain on the parade.

□ 2200

But this is historic, and the people of this country should be jumping up and down for what we have accomplished here in the last few weeks and that we are in the midst of trying to bring to finality in the next couple of weeks. It is good for South Dakota, it is for America, and the folks the gentleman represents in Missouri.

And when we look at all the things being said on the other side of the aisle, they have been hacking away again at the old same stilted and stale class warfare argument that has been drug out time and time again to create this perception of a bunch of haves and have-nots. But that is not what this is about. This debate is about improving the quality of life for all Americans.

Now, it has to be an honest debate, and the problem we are running into I think in this Chamber, as I have listened to the debate since this subject got underway, is that we are not having an honest debate because some people are using different numbers, phony bookkeeping.

We have heard a lot of claims about what the Treasury says about income, and our friend from Colorado, who is here, is going to I think point out very quickly here how we can find out if we are rich. But the Treasury has been suggesting that this is skewed towards people in the upper income levels because they have used a calculation of income which is very clearly phony.

I want to point out how they get at that, because the Treasury Department says there are 21.2 million families in America who make more than $75,000. Now that is double, double the number

that the census department uses. They have doubled the number. The reason is they add in all kinds of things, like pension funds, even unreported income.

They assume that there are dishonest people out there who are not reporting income. So when they factor in their calculation for income, they include unreported income.

But the biggest winner of all is imputed rental income. Think about this. For those of us who live in houses, the last time that I talked to somebody when they paid their rent, they thought of it as an expense, not as income. The Treasury Department is suggesting that people who own a home, if they rented it out, would have income from that, and so they factor that in as part of their income.

Now, what that tells me is if we want to be really, really rich, we should just keep buying a bigger house and the Treasury will impute more and more income to us.

So they are using this false calculation on income to skew these numbers and to skew this debate and to create the discussion of haves and the have-nots and class warfare. I think that is counterproductive to where we need to go in terms of the policy in this country.

Mr. HULSHOF. Mr. Speaker, reclaiming my time for a second on that point. I find it somewhat ironic that the administration, through this debate and through these negotiations, this conference to balance the budget, to save Medicare and provide tax relief, they will accept the Census Bureau's numbers of adjusted gross income when it comes to the child credit, that is for phasing out the child credit for the upper income families. They will also accept the Census Bureau's numbers when it comes to those individuals that are seeking a modest reduction in capital gains. They are willing to accept and embrace that number, that very bottom line number when it comes to who is unable to qualify. But then when it comes to this distribution table, and when they start to skew the results with who is benefiting from this tax package as a whole, then suddenly they push away the adjusted gross income, the 1040 number that the gentleman and I fill out on our tax forms, and suddenly go to this family economic income model.

Mr. THUNE. The gentleman is exactly right. It is a classic case of people trying to use the numbers to get the result that they want to get. When it is convenient for them, they will use the census numbers, yes.

The point simply is when we hear this debate, and the American people who are listening to this debate about tax relief, it is important for them to know that this sort of shenanigan is going on and that this phony bookkeeping, this funky accounting system being used by the Treasury Department is totally unfair in terms of its characterization of people in this country and how the tax relief is distributed. I think that that is a point that needs to be made over and over and over again.

But I would simply say this evening that we are moving in the right direction. We are winning this debate. And my colleagues who are on the floor today, most of them came here like I did, because we were interested in things like balancing the budget, lowering taxes and making government smaller, and saving Medicare. Look at how far we have moved this administration.

The reason the President's approval ratings are where they are today is because he is operating on our agenda. The things he is doing, talking about balancing the budget and lowering taxes, are things that we believe in and are values that we share.

I think it does come down to a basic fundamental value that all of us here in the Chamber tonight share, and that is this, that we believe that individuals are in a better position to make decisions about their future when given the freedom and the opportunity to do so than is the government.

We believe as a fundamental premise as well that bigger is not necessarily better when it comes to government. We want a government that is responsive and effective, and we also want to make sure the people in this country who work hard get to keep more of what they earn.

South Dakota is filled with a lot of hard-working people. We have a lot of farmers, small business people. And as I travel, and I put on 2,200 miles in South Dakota over the 4th of July recess driving across my State, I never once heard somebody say this is about the rich and the poor, this is a class warfare argument that is trying to be used by their side. Their questions are very simple. They are, are we going to pass estate tax relief so we can keep the family farm; are we going to pass estate tax relief so we can keep the small business in the family? Are we going to do something in the area of capital gains for people who are in the farming business and small businesses, the people who comprise the rich heritage that is my State of South Dakota?

Those are the kinds of things that they are interested in, and those are the kinds of things that we are interested in trying to achieve for them so that we can encourage the very best in our society; things like self-sufficiency and independence and family and thrift and hard work.

We have a work ethic in South Dakota. People understand when they work hard they will see the fruits of their investment, and they do not want the heavy hands of government interfering and taking that away from them. So this debate is really about who do we want to control our future; do we want that control in the hands of individuals and families and people in their living rooms and on Main Street making their decisions about their family farms, or do we want the government to do it?

That, on a fundamental level, is what we are talking about in this debate, and that is why I believe we are winning the debate because what we are saying is resonating with the American people.

Mr. HULSHOF. I appreciate the gentleman's comments. And before we leave the part of the discussion about how the administration, specifically the U.S. Treasury, calculates one's income to determine whether one is well off or not, I see my friend from Colorado is here. There is some chart next to him, and I would be happy to yield to the gentleman from Colorado, [Mr. BOB SCHAFFER].

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I thank the gentleman for yielding to me.

This chart on my right is one I have used on the floor here on a number of occasions. I usually use it in a way that pokes fun at this whole notion of the Treasury Department inflating the actual income of the American family so that our tax cuts for middle-class families somehow appear to be tax cuts for the rich.

That is the claim that the Democrats frequently make here on the floor. It is the claim we see coming out of the White House. So I made this chart really to show the absurdity, I think, of this family economic income definition that they use. And I made this look like one of those cheesy get-rich-quick ads, or get-rich-quick schemes. And it simply says that we can learn the amazing secrets of the White House and get rich quick if we call the Treasury Department now, and the number, and this really is the Treasury Department's phone number, 202–622–0120. And I tell folks that operators are standing by.

Well, the reason I ask people to do this is because when I tell people back home how the Treasury Department has manipulated the numbers to make a $45,000 a year family, a family earning $45,000 a year all of a sudden become rich, in the rich category, people do not believe it. I walk them through the numbers and I ask them to call this number to find out how the Federal Government, the Democrats, the liberals here in Washington, believe that an average family gets rich quick overnight only when we talk about tax relief here on the floor of the House.

The gentleman from South Dakota mentioned the biggest way they do this, and let me just kind of walk everybody through this for a moment.

If we take an average family making, let us say, for example, $45,000 a year, this is their gross income. This is before they take out all of their payroll taxes and other sorts of deductions that they have on their paycheck. And they add to this something called imputed rent, that the gentleman from South Dakota mentioned.

Now, imputed rent is not anything that we receive. It is not cash we have. It is not really income tax. What imputed rent is is the rent that an individual could receive if they moved out

of their house and rented their home to someone else.

Now, the Treasury Department really did not consider where an individual might live, whether in a tent, in the park, or whether they would move into the Treasury Department offices. I do not know where they would go, but they assume that the rent that the individuals could earn on their homes is part of their income.

So we can see for a family of $45,000 that imputed rent can be as high as $12,000 a year annually added to their rent. So we can see how we are taking an average family, that really is the object of our tax relief package, and slowly moving them up over the $75,000, $76,000, $77,000 range, because in addition to imputed rent, the Treasury Department also adds things like the benefits that an individual may receive at work; $600 for the parking space that they may have in the parking lot outside of their office building is also added to imputed rent.

They include several other things. They assume, as the gentleman from South Dakota mentioned, that we are just simply not reporting all of our income; that as Americans we somehow lie every year when we report our income to the Federal Government and comply with the tax law. So they just throw in a few thousand dollars to the family economic income to further bump the income up for the purposes of this debate here on the floor.

They also add the income that a child might earn in a summer job or the job that they may have after school. They figure that that has some kind of value to the average family. So they throw that in.

There are several other things. The anticipated income that an individual may receive on capital gains. Not for the capital gains that an individual achieves in one year, but for those assets that they might have and sell some year off in the future. They bring that to today and throw that into the family economic income.

This is how they bump the family income up so that they say the average American family is in fact rich. And since the average American family are the beneficiaries of our tax package, that is how they make the wild claim that our tax relief package is tax cuts for the rich.

Well, this is a bunch of baloney over here, this chart to the right. But I do urge people to call the Treasury Department at 202–622–0120 and ask them for the rundown on this calculation. It is called family economic income. That is the dirty little secret of the Democrats here in Washington. And I urge Americans to find out all about it and ask how it might apply to them.

I would point out that the fact of the matter is that American families have been overtaxed for too long. Back in 1950, this was the tax bite out of the American family budget. Six percent of our family budgets went to taxes in 1950. This is when my parents were starting out and trying to make a go of it as a brand-new family.

Well, over here on the right we can see that in 1994, the Federal tax burden on the family budget was 23 percent. Now, that is just the Federal burden. We also pay State taxes and we pay local taxes and all sorts of other taxes that go along with that. In 1995, the total tax burden was 39 percent. Almost 40 percent of a family's annual budget is confiscated in taxes of one sort or another.

This is what we really care about here in Washington as a Republican Party, and it is the object of our tax plan, and this is what we are trying to address. We are trying to get back to the days of 1950, when the tax burden was much, much less, much, much friendlier, and much more oriented toward liberty and freedom in our great country.

Mr. HULSHOF. If the gentleman would leave that chart up, the one entitled ''Family Tax Burden.'' I had a question at one time during a radio town hall meeting regarding tax relief and was taking a variety of calls. I mentioned that the average family in America today pays more in taxes than they do for food and for clothing and for shelter combined. And the gentleman on the phone asked me how is it that I could make this claim. And as the gentleman mentioned, the total tax burden is nearly 40 percent, 40 cents out of every dollar goes to the government.

Think about a typical day. When we wake up in the morning and grab our first cup of coffee, we pay the sales tax; when we drive to work, we pay a gas tax; when we get to work, we pay an income tax; when we flip on a light, we pay an electricity tax; when we flush the toilet, we pay a water tax; if we have cable TV, we pay a cable tax; if we drive home and we happen to have one of these homes the gentleman was talking about with imputed rent, we pay property tax. As the gentleman from South Dakota mentioned, when we die, the government is there taking up to 55 percent of the family farm or family business in death taxes.

Now, that is how it is that clearly we are paying much more in taxes than we should. The problem is not that we do not tax enough. The fact is that we here in Washington spend too much, and we are trying not to give back, but letting people keep more of their money.

Mr. BLUNT. If the gentleman would yield before we get away from the whole topic of how we calculate wealth in Washington. This is not the first time we have done this this way.

□ 2215

The first time was 1993, when supposedly the biggest tax increase in the history of the country was only a tax increase on the very wealthy. Working Americans all over the country found out suddenly how wealthy they were when this massive tax increase hit them, hit their paychecks, this wealth that the gentleman from Colorado [Mr. BOB SCHAFFER] has talked about.

I call it stealth wealth because it is so stealthy they do not even know they got it. It is out there somewhere and they do not know it is there, they do not know they have that money to spend, but suddenly they become very rich Americans. And, in fact, if we look at the Treasury Department calculations, the kind of calculations that were used in 1993, if we look at those calculations, more than 50 percent of the people who have a school teacher in the family or an auto mechanic in the family or a construction worker in the family are among the very wealthy.

Now, if we want, if we will accept that as our definition, we very well may be having a tax increase for the wealthy if the wealthy includes school teachers and auto mechanics and construction workers. Not only this imputed value of their home, but if they have got a health care benefit, any benefit that they have got that their employer gives them, the capital gains calculated back over the time that they might average those out over 20 years.

I got to tell my colleagues, that does not help their budget much if they are the janitor at school and they mess around with a rental house every Saturday of their life to try to hold their money together, and suddenly someone says really this rental house some day is going to be worth, they paid $30,000 for it, 20 years from now with inflation it is probably worth $60,000. We need to take that $60,000 and divide it back up over these 20 years, and really they have got another $3,000 or so a year of wealth right there that they do not know anything about. All they know is that they are under that house on the coldest day of the winter trying to thaw out the water pipe.

And those are people that pay capital gains tax, another element of this tax. This is not stealth wealth for them. It is trying to hold the money together in an economy that has had too much inflation. It is trying to make something for their children that they did not have for themselves.

Forty percent of the capital gains taxes in America are made by families who have a total family income of less than $50,000. Now under the Treasury Department calculations they may have a total family income of $80,000. I do not know. But all they know is their checks add up, before the taxes are taken out, to $50,000. Those are the families that pay 40 percent of the capital gains taxes. They have absolutely no mechanism to avoid it. They do not have expensive accountants or lawyers. This is a tax break for them, as well.

The taxes that we talk about are taxes that really give a break to work and productivity and families. And what should we be encouraging in America? Work, productivity and families. And we ought to be at least talking about the right numbers. We ought

to be talking about numbers that when we ask our neighbors, or maybe not our neighbors, maybe our son, maybe somebody that would tell us what they are making, probably should be willing to talk about that when we say, ''What do you make?'' they tell us that that is the number that we would look at in Washington.

Instead we come up with some number that nobody in their wildest mind would believe, and then we say and that means that this is a tax break for the wealthy because they are a school teacher and they are married to an auto mechanic or they are an auto mechanic and they are married to a construction worker, and they are now one of the wealthy Americans according to the way we calculate in Washington.

They do not calculate income that way anywhere else in America, maybe not anywhere else in the world. And we are trying to fool the hard-working people of America into believing that everybody else who works beside them at the job is rich. Because they know they are not rich. This stealth wealth issue is an issue we have to deal with. But if we only would deal with numbers that Americans have confidence in, they would have more confidence in the Congress.

Mr. THUNE. If the gentleman would yield, that is a wonderful point, and he did I think an excellent job in elaborating on why people are so confused about this argument. I think it is totally unfair to the people of this country, most of whom are going to benefit from this, to try and confuse the issue.

What happens is the other side is losing. And, so, in being crushed, in losing, they are dragging out the class warfare thing again. It is not fair when we start talking about the types of things that we have alluded to, and the gentleman from Colorado [Mr. BOB SCHAFFER] and his numbers. If my colleagues want to find out all those things and what they are, call the Treasury Department.

But we cannot have an honest debate on this issue unless we are dealing with the same set of numbers. And we are not doing that, and it is not fair to the people of this country.

One other point I would like to make before we leave this subject, because again the way this is being pitted, it is playing this tax relief for the wealthy type thing, which is an absolute misnomer. We just talked about some statistics earlier this evening with respect to family tax credit.

The people in this country who are eligible for it, and by the way, there are 136,000 kids in the State of South Dakota who are eligible and will qualify for the family tax credit, the families who qualified, are eligible, there will be 1.9 million, almost 2 million taxpayers in this country will have their income tax liability entirely wiped out simply because of the family tax credit.

These are hard-working people on the lower end of the income scale who are paying income taxes today, who because of the family tax credit are going to have their tax liability wiped out, almost 2 million people in this country. That is what we are talking about here. We are talking about helping people who are working hard, trying to make a living, people like in my State of South Dakota when I think, given the opportunity to understand the arguments that are being made here and understand clearly the types of numbers that are being used and the way that they are being inflated by the Treasury Department, when people understand what the issues are, they are hugely in favor of what we are doing. They are on our side.

We are on the right track and moving in the right direction. And hopefully, again, we have the opportunity and in future years will be able to come back again and say, ''We want you to keep even more of what you earned,'' because Washington, DC does not make very good decisions when it comes to spending money, and it is proven by the way they calculate income.

In this country, and only in a country where we have $5½ trillion in debt, and we are talking about different degrees, can we double someone's income just like that out of thin air; and that is what is happening.

I yield back.

Mr. HULSHOF. If the gentleman would yield, because I think there is also a lot of misinformation being distributed, originating from right here in the well of this House, about the $500 per child income tax credit and whether or not that income tax credit should be applied to those individuals in our country who are working that receive an earned income credit but that pay no income tax liability.

If we could take just a minute to explain the difference, because this is exceedingly important and I think the issues are being framed up, even as we speak, among the conferees. This is an extremely important debate.

The income tax credit, as my colleagues know, was first enacted back in 1975; and the purpose of the earned income credit was to provide public assistance in the form of an income supplement to low-income workers, something that the Republican side has continued to support.

In fact, the earned income credit I think has been modified and expanded. Back in 1993, the earned income credit was expanded even more. It has been indexed to inflation. We cannot get capital assets or estates indexed to inflation, but we indexed the earned income credit for low-income working families to inflation to make sure that their pay checks would keep pace with the rate of inflation.

So we got nearly 19 million Americans that have qualified and will qualify for the earned income credit, almost $28 billion in public assistance going to individuals that will not have to pay Federal income taxes. In fact, I think the gentleman pointed out a couple weeks ago when we were discussing this issue, 20 percent of the earned income costs actually are a refund of income tax that are paid by low-income people, but 80 percent of the $28 billion, 80 percent is in the form of supplemental public assistance that goes to working low income families. Eighty percent is a cash assistance program in excess of Federal taxes paid.

Now the other side talks about, well, what about the payroll taxes and what about taxes going to social security and to Medicare? And the fact is, when each of us at all ends of the income spectrum are working and paying payroll tax, that is for a future benefit. We are investing in social security, we are investing in Medicare that we are hoping to save for future generations.

So the fact is that we have to decide, within the very narrow parameters that we were given by the White House and congressional leaders, where are we going to target our tax relief? And right now we are trying to focus our tax relief on middle-income families with kids that are trying to make ends meet, that this tax burden, as the gentleman from Colorado, Mr. BOB SCHAFFER, mentioned, that are sending nearly 40 cents out of every dollar here to Washington. Those are the people that we are trying to aim and rifleshot this tax relief to.

Mr. KINGSTON. If the gentleman would yield, I know we were talking about this earlier, and I wanted to give an example of a woman, say Susan, she makes $20,000 a year. She has a 14-year-old and a 16-year-old.

Now under the Republican plan she would be getting $1,000 tax credit for those children. Under the Clinton plan she would get zero. But who would get the money instead is somebody who is not paying income taxes. And that person who is not paying income taxes may be already receiving public housing assistance, free health care for the kids, Medicaid, food stamps for the family, WIC for the children, supplemental security income, possibly the earned income tax credit, public assistance/welfare benefits, worth anywhere from $10 to $18 an hour. In addition to all those public assistance benefits, under the Clinton liberal Democrat plan they would get another $1,000 check because of having two children or children under 12 years old. And it is not punitive to say let us give the income tax credit to those who earn income, rather than let us just make it one more welfare benefit.

It was interesting, in the Washington Times today, it did say on the front page, Clinton admits that it is an expansion of welfare. So I think my colleague raised a good point. This tax relief proposal, the intent of it is not to expand welfare. The intent of it is to give tax relief to middle-income Americans.

Mr. HULSHOF. If the gentleman would yield, one additional point, and I think it is dead on with what the gentleman says.

One of the subcommittees that I serve on is the Subcommittee on Oversight of the Committee on Ways and Means, and we recently had testimony from the IRS, the Internal Revenue Service, about the earned income credit. Unfortunately, the earned income credit is rife with fraud and waste and abuse.

In fact, the IRS even estimates that the rate of fraud and error was over 20 percent. Essentially, out of every $5 then in the earned income credit that IRS that the Federal Government was giving to these families, $1 out of every $5 should not have been paid out because this error rate is so extremely high due to in some instances to fraudulent reporting but some instances just error in reporting.

The question I have is, given this high level of fraud and error rate found by the IRS, is it wise at this point to expand, to seek an expansion of this earned income practice until we can at least get a handle on or solution to the fraud and the waste and abuse in this program?

I yield to the gentleman from South Dakota [Mr. THUNE].

Mr. THUNE. We had this discussion on the floor before, as my colleagues know, and I think that the point that my colleague made earlier, 80 percent of that $28 billion is going out not in the form of a credit against taxes that are currently being paid but as a government check. The question that we are faced with, I think, in terms of this debate is whether or not we want to add to that government check $500 per child.

Now we talked a lot about statistics in this whole debate, and I would again mention that 75 plus, 76 percent of the tax relief in this proposal goes to people who are, families who are making less than $75,000. Now just by comparison, the taxes that are currently being paid in America today, 37 percent of the tax burden, the taxes being paid, are being paid by people making less than $75,000, and yet we are giving 76 percent of the tax relief to that group of people.

This is very targeted toward hard-working men and women, middle-class Americans in this country, and families. Sixty-three percent of the tax burden in America, according to IRS figures, is paid by people who are making more than $75,000, and yet, under our proposal, they would get somewhere in the neighborhood of 24 percent of the tax relief.

□ 2230

We look at who is paying the taxes today, who gets the relief and I think again we are faced with this question as to whether or not it makes sense, fiscal sense, to the taxpayers of this country for people who are already receiving 80 percent of the $28 billion in earned income credit going as a payment to people who are not currently paying income taxes. Do we add on to that payment $500 per child?

I think what we have said in our plan is that we want to apply the tax relief to people who are paying income taxes, and particularly given what the gentleman has just mentioned about the amount of fraud in the EITC. The earned income tax credit program is a program that is seriously in need of reform. I think it would be in our best interests and in the taxpayers' best interests to reform that program before we ever look at adding a $500-per-child tax credit.

Mr. BOB SCHAFFER of Colorado. This really defines the classic debate that we see here in Washington or the classic differences, I should say, between Democrats and Republicans, or liberals and conservatives.

It is the difference between the entitlement mentality that the Democrats fight for every day here, which if one is a Democrat makes perfect sense to them, versus our model of encouraging honest hard work, which if one is a conservative or a Republican, that of course makes sense to us. Because on one hand what the Clinton administration is proposing is within that entitlement mentality, that entitlement framework, where we just send cash. The cash actually comes to Washington and it is redistributed by politicians here in Washington. We take from some families, we take that cash and give it to the charity of the government's choice, which in this case would be the individuals who would qualify under the Clinton entitlement tax credit. Again, contrasting that with our model which suggests that the harder you work, the more you contribute to our economy, the more you are willing to try to work hard to strive for self-sufficiency and provide for your family, the more we want to encourage you. We want to help that. We want to take less away from you. We want to take less cash out of your family budget and allow you to keep it, not just so you can spend it on things, but also so you can be charitable.

This is the point that I think is frequently missed here. President Kennedy and President Reagan and many Presidents before that have shown us very directly that when you in fact reduce the tax burden on American families, charitable giving continues to climb. In fact, under the Reagan administration, charitable giving reached an all-time high. It was not until we undid the Reagan tax cuts under the Bush administration, and even taxed families more under the Clinton administration, that we saw charitable contributions begin to decline. These dollars, allowing families to keep more of their cash, to keep that cash within their family budget for their own discretion under their own judgment, to put toward their children, their schools, their communities, their churches, their synagogues, the charities of their choice is far better, I believe, and we all believe, than the liberal Democrat model of the entitlement mentality which suggests that everyone should send their cash to Washington and politicians here will spend it on the charity of the government's choice.

Mr. BLUNT. I have got a chart here that follows up on what the gentleman from South Dakota [Mr. THUNE] was saying and the gentleman from Colorado, Mr. BOB SCHAFFER, was talking about that shows exactly where these tax cuts are distributed. This is your income on this side. Under $20,000, almost 5 percent of the tax breaks are for those taxpayers. Between 20,000 and $75,000, almost 72 percent. Over 76 percent of the tax breaks are for people that make less than $75,000. We believe that to be a real add-your-paycheck-up figure, add your check stub up and see what you are making.

When families think about that, where I am from, $75,000 is still quite a bit of money. But if somebody in your family is making $2,000 a month and somebody else is making $41,000 a year, you are at $65,000 in your family income. This is a family income. This is your total family income. Seventy-six percent of the tax benefits here are for people who make less than $75,000, 5 percent are for people who make less than $20,000. These are real numbers. These numbers count.

As the gentleman from South Dakota [Mr. THUNE] has pointed out, the tax breaks are very much in disproportion in terms of the taxes being paid today, but they are in proportion to what the Members of this Congress think ought to happen right now to make American families work.

The gentleman from Missouri [Mr. HULSHOF] has talked about from the minute the alarm clock goes off until you set it again that night, you are paying somebody some kind of taxes. We are saying that is too much. We are going to have conservative Democrats, we are going to have Republicans voting again for this issue if we get to vote on this kind of issue again. Certainly we had those kind of votes when the Republican majority, helped by conservative Democrats, sent this tax bill over to the Senate.

Mr. HULSHOF. I think a point that needs to be made regarding the numbers on the chart that the gentleman from Missouri [Mr. BLUNT] has before him is that these numbers, this is not sham accounting. This is not cooking the books, as the gentleman from Colorado, Mr. BOB SCHAFFER, talked about the Treasury likes to do with this nebulous concept called family economic income. These numbers have come from the Joint Committee on Taxation, which is a bipartisan group that takes the effects, the true effects of any tax law and determines what is going to be the effect.

These numbers are what will happen over the next 5 years if the President will sign into law the measure, the tax relief measure that we have passed here in the House by an overwhelming majority. These numbers are good numbers. They are solid numbers of the Joint Tax Committee.

It might even be that those who come after us this evening, after our time is up, as it draws to a close, will talk about, well, 10 years from now these Republican tax cuts are going to explode the deficit, are suddenly going to balloon the deficit, and use these terms. I would challenge anybody that makes these spurious arguments. It is difficult enough for us to try to project a balanced budget plan for the next 5 years and to try to fashion some modest tax relief for the next 5 years. Certainly when we start looking in a crystal ball and predicting the future of what is going to happen 10 years down the road, I just think it is somewhat disingenuous to make an argument that these tax proposals in the next 10 years or in the next 15 years are going to do this or do that.

I do not think this House, if we look at its track record, those that have been in control of this House, I do not think necessarily that we can go to the bank, so to speak, on the numbers of the predictions that previous Congresses have had regarding the economic forecasts.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I would like to point out for one minute, before we close here, I just want to reiterate what has been said over and over again, and I do not think we can make the point too often, that the real numbers that we have been working with and that we rely on show us that 76 percent of the tax relief that the Republicans are providing go to families earning between $20,000 a year and $75,000 a year. Again, that is 76 percent.

For those people who want to find out the real numbers for what the impact of this tax plan is going to be on their families, the Republican Party has provided a Web site that I would encourage people to visit. The address is right here. It is hillsource.house.gov. You can call there or visit us here. It is a GOP tax calculator. You impute your income, and the service here will help figure out what the impact on your family will be once this tax package is agreed to, is signed by the President.

The reason we do this is because we are very proud of it. We are convinced that when real families make contact with us and figure this out for themselves and apply our tax relief package to their family income, their average family income, they will see a dramatic reduction in the amount of cash which the Federal Government confiscates from your family budget. For that reason, we really encourage people to call.

This is a winning strategy for us as Republicans. The Democrats are scared to death because they know when the American families realize that this really does affect them and helps them, that it is to our advantage politically but, moreover, economically and for the country. That is what we care about most. Please visit us. We would love to show how our relief package is going to help you.

Mr. THUNE. I notice the gentleman made the comment there as he was pointing that out, that you impute your income. I was wondering if that was just a slip.

Mr. BOB SCHAFFER of Colorado. That was a slip of the tongue, right. You compute your income.

Mr. THUNE. I am glad to hear that. You input your income and it will give you the real number, not the imputed number.

Mr. BOB SCHAFFER of Colorado. Right.

Mr. BLUNT. The other thing to remember here, too, is that as hard as we have worked on that and as much debate as we have had about the dangers of giving this money back to the American families and the American people, we are only managing to give back in this tax cut a third, one-third, of the dollars that we increased taxes by in 1993, the biggest tax increase in the history of the country. I do not recall nearly this much concern in the Congress about taking three times as much money away from the American people as now we have letting them keep a third of their money.

We hear about giving them money, giving them a tax break. We are just again letting them keep their money, and still we have got a long way to go just to get the tax burden, the Federal tax burden back to where it was in 1993.

This is the first step, it is a big step, but I just remind people of the country who are thinking about this debate, how much debate did you really hear in 1993 as that big tax bill passed about how much money we were taking away from Americans, or whether we were going to explode the deficit at some mythical point in the future or what was going to happen? Were we going to explode the American family at some mythical point in the future, at a time when we were taking three times this much money away?

We are working very hard, I think we have taken a very important first step. We are just giving a third of that tax cut that is in very, very recent memory back to the people and the families of the country.

Mr. THUNE. I would just add because we are coming to a close here, but I am proud to be a part of this effort. I think most of us, I know our colleagues in our freshman class, the people with whom we joined the Congress, came here for a specific reason. It was because we believe profoundly and fundamentally that the people in this country, if given the freedom and the opportunity to make decisions that affect their lives, will do a better job than the government will. It is all about allowing people to keep more of what they earn, allowing government to become smaller and allowing people to be able to do more because government is doing less.

The gentleman from Colorado [Mr. BOB SCHAFFER] very aptly pointed out that when people have more of what they earn, they are willing to contribute more into their communities. That again is something that we want to encourage in this country because we have fostered a culture that has become very dependent upon government. We have an expectation in this country that government will do all things for you. That is, I think, a mentality that we need to get away from. I believe that this debate is moving us in that direction.

I would just make one point in closing, because we look at the breadth of this thing and the many component parts of it. In lowering the taxes on saving and job creation, investment, the capital gains tax, I had people when I was in my State last week ask me, when are you going to do something in capital gains; we want to sell the farm but we cannot afford to do it.

You look at the estate tax, the death tax. We believe that people in this country, when they die, should not have to see the undertaker and the IRS at the same time. Those are just fundamental values. Those are things that we stand for and believe in.

I am delighted to be a part of this effort and a part of this class and the commitment that we have to accomplishing the things that are good for the future of this country, for my kids and for the kids and grandkids in South Dakota and throughout America.

Mr. HULSHOF. Mr. Speaker, I appreciate my colleagues joining me this evening. I appreciate very much their eloquence and the sincerity with which we have approached this debate. Again, because of the parameters of the budget agreement, we are trying to focus tax relief, income tax relief to those families who pay income taxes. Certainly we want to help those on the lower income scales, to help pull themselves up; but because of the earned income credit, and especially because of the disturbing news from the IRS about the fraudulent rate or the error rate, I should say, regarding the earned income credit, the fact that of the $28 billion that nearly $6 billion next year will be wasted and paid out to individuals that perhaps do not qualify or who fraudulently apply for the earned income credit, again my question to those on the other side is, is this the time for us to be expanding that credit? Because of the parameters of the budget agreement, should we not be looking to those individuals that are paying more in taxes than for food and for clothing and for shelter combined?

Again, Mr. Speaker as our time is drawing to a close, this is more than about numbers, this is about choices. It is about people. We want men and women across this country to be able to earn more so that they can keep more, to do more. It is about improving the quality of life, as the gentleman from Colorado [Mr. BOB SCHAFFER] mentioned, as the gentleman from Missouri [Mr. BLUNT] mentioned, as the gentleman from South Dakota [Mr. THUNE] mentioned. The fact is that

many couples right now, in order to make ends meet, have no other choice than to have both spouses working in order to put food on the table and a roof overhead.

□ 2245

We believe, the newly elected Members on the Republican side believe, that taxpayers should reap the rewards of their efforts and our efforts to shrink the size of the Federal Government. As we force Washington to balance its books, and as we hold government programs like the earned income credit accountable, and as we shape and force a smaller, smarter, more effective government, Washington does not need as much of the American people's money. The money should stay in the pockets of hard-working men and women across this country, not into this bloated bureaucracy or into any schemes to redistribute income. It is the American people's money. They have earned it, they should keep more of it. That is what this tax debate is all about. That is why it is so important.

THE TAX CUT DEBATE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I wanted to start out this evening by pointing out that I believe most Americans now realize that the Republican tax cut strongly favor the rich, and when I hear my colleagues on the Republican side of the aisle constantly try to say that that is not true, I think it is because they realize that the word is getting out that the average American understands that this Republican tax plan is basically favoring the rich, and the media, the newspapers, are obviously making that point as well because they understand it.

In fact, two-thirds of the Republican tax cuts in the House bill go to households with incomes of more than $100,000, and I believe it is a disgrace that those Americans in the bottom 40 percent of the income; in other words, these are still working Americans paying taxes, essentially get nothing. The Republican tax scheme would deny the child tax credit to taxpaying working families but give big business and their country club buddies a tax break windfall.

Now I listened to what some of my colleagues on the Republican side said tonight in the last hour, and it was really interesting because basically what they were saying is that the more money you make, the bigger tax cut you should get, and they short of justify this by suggesting that the harder you work the more you earn; in other words, somehow that people who earn more work harder.

The problem is that is simply not true. Many middle-income people work harder than wealthy people. Some wealthy people do not work at all. They have just basically inherited their wealth in some cases. And what the Democrats are saying is that middle-income families should get the largest share of the tax cuts because they need it the most, and we have a limited amount of money to give back in tax relief because I would remind my colleagues on the other side that our basic goal with the budget bill is to eliminate the deficit.

So why should we not give the tax cuts to middle income working families primarily? That is all the Democrats are essentially saying. We put forth a plan basically that would truly benefit middle-income families. We are advocating a tax cutting plan that is fair and that helps the majority of Americans as promised in the original budget agreement that was reached this past May.

I believe very strongly that what the Republicans are doing here is reneging on the promise that they made when they signed with the President and said that as part of this balanced budget agreement most of the tax cuts would go to middle income working families, and unfortunately the Republican leadership is not honoring this agreement made on behalf of the American people. They are basically breaking the promise that was made to middle-income people.

Now, what we have tried to do as Democrats is to illustrate in human terms the implications of this Republican tax scheme, and I just wanted to mention, I have mentioned it before, but I wanted to mention an individual, a family from New Jersey, that wrote to me about a month ago now and also talk about this family and others in terms of the education benefits of the Democrat versus the Republican bill.

I have a chart here that talks about how a typical working family fares in 1998 under the GOP versus the Democratic proposals. This is a family that has an annual income of $24,000. The family has 1 child, age 10, and another child, age 19. The 19-year-old is attending his first year of community college with an annual tuition of $1200. Under the Republican bill the scholarship that would go to the student, to the child, that is in the community college basically is $600. Under the Democratic alternative it is a lot more, $1,100 phased up to $1,500 by the year 2001.

Even more or just as important is what happens with the child tax credit. This is this credit that the Republicans promised many times before would go to all working families if they had dependent children, but what they have done in their Republican tax plan is basically say that many families, including this one, which again is making an income of $24,000 a year, would receive no child tax credit because they do not qualify because of the earned income tax credit which some of my colleagues talked about tonight. Under the Democratic plan they would get the family $300 phased up to $500 by the year 2001.

Now that is the general statement that explains, I think, what the Democrats are complaining about when we say that the average person, in this case a working middle income family, are not getting a benefit of a child tax credit under the Republican plan and a reduced amount of money that is available for higher education.

But I just wanted to illustrate my New Jersey case again, if I could, and then I would like to yield to some of my colleagues who are joining me here this evening.

This is a woman, Deborah Hammerstrum, who is a resident of Toms River, NJ. She is a divorced mother of 2 children living on a single income, and she wrote to me, and I quote, ''to stress the importance of how a child tax credit would help to offset some of the financial burdens that come with raising a family on a single income.'' Ms. Hammerstrum earns $21,500 in her job as the benefits coordinator for Visiting Home Care Services of Ocean County, NJ. She pays $105 a week for child care, actually $5,460 a year, so that she can work. She is working.

Now, to quote again from her letter, she says, ''Unfortunately, the Republican child tax credit proposal is targeted against those who need it most, those who are just one step away from falling into the welfare system.'' She works, she pays for child care, she pays for food, a roof over her family's head, and nothing more.

The child tax credit should be given to financially benefit the child, and I think a child from a middle income family would benefit greatly by receiving this credit. She would get nothing under the Republican proposal, and the reason for this is because the Republican bill denies the $500 child tax credit to more than 15 million working families because it does not let them count the credit against their payroll taxes.

I heard my colleagues over and over again on the floor tonight say that the only people who should qualify for this child tax credit are people who pay income taxes; in other words, if the child tax credit, I mean, if with the earned income tax credit which we have on the books now, that person, in effect that earned income tax credit, goes above what their income tax liability is, that they should not be able to take advantage of the child tax credit that we are proposing. And that is simply unfair, Mr. Speaker, because basically what it says is that we are not going to count for this working family the fact that they pay payroll taxes, Federal payroll taxes, the fact that they pay Federal excise taxes or might pay local property taxes. These families, including Ms. Hammerstrum, are paying a lot of taxes, and it does not make sense to me to say that they should not get this extra $500 child tax credit.

I have other examples, but I do not want to use them right now because I wanted to have some of my colleagues

talk about some of the same issues and possibly use some other examples.

But I really feel very strongly that the Republicans are pulling the wool over the average American's eyes, so to speak, because they are suggesting that people who are working are somehow on welfare and should not have the benefit of this child tax credit. And that is unfair, and it breaches the promise and the commitment that was made when we started working on this balanced budget agreement.

I yield now to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New Jersey for taking this time so that we can have a debate and discussion about one of the most important issues that we are facing in this Congress, and that is who is benefiting from these tax proposals that are on the table today, and I think you make the point working families today understand the sham that the Republicans are trying to pull on them. They do understand it. I tell you because it is evident in the data, and just a couple of points.

Sixty-one percent of Americans think the Republicans are out of touch with the American people, and they are right. Fifty-two percent of Americans think the rich would benefit most from the GOP tax plan, and they are right. Americans prefer the democratic tax plan over the GOP plan by a 2 to 1 margin, 60 to 31 percent, and Americans strongly prefer Democrats' education child tax breaks over the GOP's capital gains and estate tax breaks 63 to 32 percent.

It is important to mention those because the American public is truly seeing through what the Republicans in this House are trying to do.

The most disingenuous part of this debate is that there were several people on the floor here tonight. Now a number of them are new Members so that they were not here for the signing of the Contract With America. As my colleague will recall, this was done with great fanfare on the steps of the Capitol with the Speaker of the House, [Mr. GINGRICH] and the majority of the Republicans in this body. There was one gentleman on the floor tonight who did sign the Contract With America, and I would bet that those new Members here campaigned on the Contract With America.

Now they may never have read the Contract With America, or they have put it aside and want to forget what it is that they signed, what they talked about, because let me talk about the child tax credit that was contained in the Contract With America, and this is from a third party association, Center on Budget and Policy Priorities. This is not something that is a document of a Democratic organization or a group. This is an independent organization.

The child tax credit proposal included in the contract would have allowed the 500 per child credit to be applied against a family's net tax burden from the combination of the income tax, the earned income tax credit and the payroll tax. The contract included both the employer and the employee share of the payroll tax in determining a family's child credit. The contract proposal would have allowed many families that owe no income tax after the EITC is considered but pay hefty payroll taxes to receive the child credit.

The point in fact is that those who signed and those wannabees who wish they would have signed have walked away from the Contract With America. In fact, to put it in the vernacular, they welched on the deal, and now what they want to do is to claim that those families, teachers, waitresses, policemen, nurses, people who are working hard for a living, raising their families, scrambling to pay the bills, people who are paying taxes, working and paying taxes, are now all of a sudden, with my Republican colleagues, people who are on welfare.

Mr. Speaker, it is a disgrace, and they demonstrate their insensitivity and their lack of understanding of what working families are all about in today's society.

My colleague from New Jersey made a point earlier that people are paying taxes, property taxes, excise taxes, payroll taxes, and they pay a heftier chunk of those taxes than those who are at the upper end of the scale. And in fact those are the families who for the last 20 years have watched their incomes either stagnate or decline, and their tax burden increase, who now our Republican colleagues are saying these are folks who are on welfare. And they welched on this deal because what they want to do is to squeeze these folks in order to make it possible to index capital gains so that in the second 10 years of this tax proposal we would see an explosion of the deficit. And in addition to that, they would provide a $22 billion windfall tax break to the richest corporations in this country, the Boeings, the Exxons.

□ 2300

They would scale back the alternate minimum tax so that these corporations could in some instances wind up without any tax obligation at all. They will stand in the well of this House and they will talk about the Contract With America. I watched as the Speaker of this House punched the ticket as each item in the contract, he said, was being voted on on the floor of this House.

Yet, they would now either choose to forget what they signed, refuse to believe what they signed, lie about what they signed, walk away from what they signed, and talk about those folks who pay income taxes, who pay payroll taxes, and call them welfare recipients. It is a disgrace and it is outrageous.

As a point of fact, the President's proposal would only allow the child tax credit to those families who are working and who are paying taxes. Otherwise, you do not receive a child tax credit. You only receive the credit up to the amount of payroll taxes that you in fact pay.

My colleagues on the other side of the aisle have a lot of explaining to do. They are dealing in a lot of double-talk these days. But I go back to my earlier point, which is that the American public is not buying it, because the point of fact is that our Republican colleagues in fact do not understand and are insensitive to the lives or the needs of working middle-class families in this country.

The public has seen them for what they are and is going to reject this tax proposal they are making, and in fact we are going to reject it in this House and in the Senate, and the President is going to reject it as well.

I thank my colleague for allowing me to participate in this discussion tonight.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman for her comments. It was amazing, listening to the other side, to the Republicans tonight criticize the very concept of the earned income tax credit. They said we should not have it at all, and somehow suggested this was strictly a Democratic, liberal, or welfare proposal.

The bottom line is that President Reagan, who is their biggest ideological champion historically, I guess, was a big supporter of the earned income tax credit, and thought it was a great way for middle- and lower-income people who were working to get some kind of a tax break. As the gentlewoman mentioned, it was in the Republicans' Contract With America.

Earlier this year Senator LOTT, the Senate majority leader, in his proposal for tax cuts proposed that individuals who received the earned income tax credit would still be able to get the child tax credit. So this is a last-minute thing.

The reason it is happening, and it goes back to what I said before, is that we have a very limited pot of money here. If you are not going to balloon the deficit, if you are actually going to balance the budget with this bill, which is what supposedly we are doing, then you have a limited amount of money available for tax cuts.

If Members want to give these tax breaks, the capital gains tax breaks the way they have figured it out, the estate tax breaks the way they have figured it out, and the corporate tax breaks to the wealthy individuals, the wealthy families and the corporations, then you cannot take this limited amount of money and give it to middle-income people who are working. You have to find some way, as the gentlewoman said, to squeeze them so you can give this money to the wealthy corporations or individuals.

Of course, the other thing they do is at the end of the 10-year period, they start giving these breaks even more so with the capital gains indexing and the other things. As a result, they in fact

do balloon the deficit and the deficit starts to grow again. So it is totally an effort, a scam, essentially, on the basic purpose of this balanced budget bill.

Ms. DELAURO. Mr. Chairman, I have just one more point, if my colleagues would indulge me. The fact is they made a lot of promises. They made a lot of promises to their rich friends. They are squeezing, as the gentleman has said and as the other gentleman said, the lower end of the scale, because with that limited pot of money they cannot make the commitments that they want to do. They have been waiting a very long time to do a tax bill that in fact would reward the richest folks in this country.

The one final comment I want to make, which is what the gentleman said, is that there are some people who make an awful lot of money in this country, who do not do a lot of work for it. They do not do a lot of work for it. That is okay. That is okay. Maybe their parents or they inherited wealth, or whatever it was. That is okay.

But not when we have limited resources do we have to be in the business of providing the richest people in this country, the wealthiest corporations in this country, with an opportunity for tax relief which is deserved by hardworking middle class families.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman for her comments.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Speaker, I thank the gentleman from New Jersey for once again organizing and participating in this special order, and also the gentlewoman from Connecticut [Ms. DELAURO] and our friend, the gentleman from Massachusetts [Mr. OLVER].

I would like to pick up a little bit on this earned income tax credit. In my district, the First Congressional District of Michigan, the northern half, actually the earned income tax credit, when we passed the deficit reduction bill in 1993, over 3,200 families in my district benefited from an expansion of the earned income tax credit.

The median income, median family income, in my district is only $27,482. That is the median income. These are the folks, if you had a husband and wife and two children, they would be entitled to an earned income tax credit at that median income. It is quite large in my district. Like I said, over 3,200 families could take advantage of it.

So what the Republican proposal said is if you are getting the earned income tax credit, you are not allowed to take the $500-per-child tax credit that is offered. When we look closely at their legislation, it is not just people on the earned income tax credit but other people who would not benefit from the $500-per-child tax credit.

The gentlewoman from Connecticut [Ms. DELAURO] said they may be welching, but according to the Center for Tax Justice and Policy, 45 percent of the young people under the age of 18 in Michigan would not be allowed to even take advantage of the $500-per-child tax credit because of the earned income tax credit or their family income or for some reason.

Look what we did in 1993. When we came here, and I came in 1993, I was elected in 1992, if Members take a look at what happened, we had an economy, and if Members take a look at Mr. Bush's economic adviser, Mr. Boskin back then, a week before President Bill Clinton took office Mr. Boskin projected the budget deficit to be $332 billion. Three hundred thirty-two billion dollars.

So the President came in, and after getting a grip on what was going on around here, we proposed the largest deficit reduction package ever seen in this country. In that deficit reduction package we expanded the earned income tax credit, because we knew those folks were playing by the rules, working hard, trying to stay off public assistance, needed a little extra help. We gave it to them in that vote, in that deficit reduction package.

It kept their heads above water, it kept them off public assistance. Every piece of income they received, whether it is an earned income tax credit or a per-child credit, because of their limited means, they spent it. They put money back into the economy. So that was sort of the plan that we did in 1993.

Look what we did since 1993 to reach a balanced budget. Why are we here in July of 1997, 4 years later, talking about giving tax breaks because we are on the verge of balancing the budget? We have already done so much of the hard work to reach a balanced budget.

Before President Clinton took office the deficit was a record number. In 1992 it was over $290 billion projected and headed up to $332 billion. In 1993 we worked with the Congress, the President did. We enacted his economic program to lower deficits and put more investment in people, in our own economy. The plan passed the Congress with only Democratic support. Members will remember, the Vice President had to break the tie in the Senate. But the Democrats, we stood by it and we paid for it. In the 1994 elections some people did not like the plan and we lost the majority of the House, but we did what was right for this country.

Since then, since that vote in August of 1993, the deficit has fallen by 63 percent. We are now looking at a deficit of somewhere around $60 billion. Some are saying it may even be $35 or $20 billion when we close our books on September 30. We have the smallest deficit since 1981, and it is the smallest percentage of our gross domestic product. It is the smallest since 1974.

So in fact the percentage of the deficit of our gross domestic product is going to be less than 1 percent of our gross domestic product here in 1997. Our friends that were out here an hour earlier, they were talking about how their budget is going to do this and that.

They came to power here in 1995. Guess what? They have not passed a budget yet. We have not had one budget passed yet. It has been continuing budget resolutions, continuing budget resolutions, of what? The Democratic plan to reduce the deficit, balance the budget, invest in people, and invest in our economy.

That is what happened because they have not passed their own budget. It has been, well, Members remember they could not pass their budget, so what did they want to do? Shut down the government. They did that. Just like on the disaster aid they did for the Dakotas, they got their own way.

But because of what we Democrats did, we approached the task and we are in better shape from a fiscal point of view than any other of the major industrial nations in the world. Both our deficit and our public sector are substantially smaller. We have the smallest Federal Government since the days of John F. Kennedy, back in the 1960's, even though the country has doubled. We have less people than back then, we have less people providing more service to this country, over 260 million people in this country.

We are clearly reaping the benefits of the success of cutting the deficit. We stand on the verge of it. So we are saying, if we are going to give tax credits, if we are going to give a $500-per-child tax credit, let us give it to the folks who really need it.

Those folks who get the earned income tax credit still pay their Social Security taxes, still pay State taxes. In fact, all year while they are working they are still taking income taxes out of their check. At the end of the year if their income falls below a certain level and they have so many dependents and people making up their family, then they get an earned income tax credit. It is a benefit at the end, but we are going to deny them a per child credit?

I have to share this with the Members. Just before I came down, I got a call. We were out here last week too, talking about this issue. A person from Marquette, Michigan, where I represent, was not happy with this idea of the earned income tax credit.

I got to talking with this lady. She did admit that at one time she had the earned income tax credit. It was okay for her, and she assured me she was only on it for a year, but what was it there for? She needed a helping hand. It was not a handout, we gave her a helping hand.

She got back on her feet, she was doing quite well. Now she wants a big capital gains tax. I am pleased she is looking at a capital gains tax, but at the same time, I am not going to leave behind those folks who are playing by the rules, working hard, trying to get ahead. They should get that $500-per-child tax credit and they should keep their earned income tax credit, because we will save money in public assistance, we will save money in education

and in other ways, and give them some hope, give them some future.

The earned income tax credit, we should expand it. We should put the $500-per-child tax credit in there. Those are the folks who should get it. Those are the folks we are trying to help out. Clearly, clearly, because of the Democratic plan that came forward in 1993, we are on the verge of balancing the budget right now. We are reaping the benefits of our success in cutting the deficit. We have an economy that in 4 years—before the President got here, there were very few jobs. Our deficits were at record levels. Business investments only grew, savings investments were all down, interest rates were up. Members remember those bleak old days.

Now there is almost euphoria because we stand on the verge of doing it. We are saying, as Democrats, let us give that $500-per-child tax credit to those people who really need it, and let us reinvest not only in our country, but also in the people who helped to make it.

Mr. Speaker, that is why I was very pleased to come down here tonight. To the lady that called me from Marquette, Michigan, I appreciate her call. I appreciate her honesty that even she at one time had to use the earned income tax credit. We should continue. Again, if we cannot reach out and help out our neighbor and the people who are providing the services, like the police officers and nurses, and even people who may work for city government or people who are disabled, remember, they pay taxes every day, in every shape and in every form, whether it is their Social Security tax, their FICA, their sales tax, their gasoline tax. We hear a lot about that. They are paying those taxes.

I think we as a country, the richest country in the world, the most powerful country in the world, a country that has their deficit under control, thanks to the Democrats, we certainly should reach out and help out those folks.

I was pleased to come down here tonight and join the gentleman in this special order. I appreciate all the hard work the gentleman has put in. Not only do we have the $500-per-child tax credit, but we have the education tax credit to help folks go to school.

The Democratic plan is well balanced. It helps out those who need it, people whose earned family income is less than $75,000. I told Members, in my district it was $27,482.

We look forward to passing the Democratic plan. I ask the President to stand firm with us. We will work this thing through. We will invest in people, we will invest in our economy. We will put consumer and business confidence back and continue it in this economy.

As we have shown over the last 4 or 5 years, the Democratic plan has been the plan that has lifted this country out of its doldrums, and we are now on the verge of balancing this budget. We are going to finish the job and at the same time invest in those people.

□ 2315

Mr. PALLONE. I was listening to the gentleman's comments and then comparing some of the comments that were made by some of our Republican colleagues earlier.

If the gentleman listened to them, what they were basically suggesting was that somehow what their proposal did, their Republican tax cut proposal, was to give money back to Americans but somehow ours did not. And the reality is that we are talking about the same pot of money here.

The question is, who is going to get it back? The individual who is middle income, who is making $20, $25,000 a year, gets the $500 tax credit back from the child tax credit, they are going to go out and spend it. And the wealthy individuals that the Republicans want to give the tax money back to, the tax cut back to, they are going to spend it as well, so in both cases the money is coming back to Americans. They are going to spend it, and that hopefully will fuel the economy.

But the question is, who is going to spend it? I think what you are pointing out is that the people that receive the earned income tax credit who should also get a child tax credit, they are spending it in many cases on basic necessities, food, housing, clothing, whatever. So there really is no difference between our points of view, other than who we are giving it to. We want to give it to middle-income working people.

Mr. STUPAK. Mr. Speaker, if the gentleman will continue to yield, the gentleman mentioned who is going to get it. Under their proposal, verified by Treasury and CBO and others, if you make more than $250,000, under the Republican plan they are going to get back $27,000. That is equal to the median income of the people in the First Congressional District of Michigan, which is $27,482. So they are going to give the wealthiest $27,000, which is equal to the median income in my district. And then those folks who are at the bottom 20 percent of the economic ladder, the people who depend on the earned income tax credit, who need the $500 per child, according to the same folks they are going to pay $63 more.

So I think we have it reversed. That was the difference back in 1993 between the Democrat proposal and the Republican proposal. Which one worked? Ours did.

We are now within striking distance of balancing the budget, first time since 1969. It is not the time to abandon the responsible, effective strategy of cutting the deficit and investing in our people that has resulted in the very strong economy we have today.

That is the Democrat proposal. That is the President's proposal. I urge all my colleagues to stand with us. We have done it. We should take some credit for it, but at the same time let us be smart about it. Give the break to those who need it. Let us invest in our people, because they put it back in our economy.

We have a strong, robust economy. And my colleagues know all the dire predictions: If we passed the Democrat plan back in 1993, there would be a great depression, massive unemployment. The deficits would be $700 billion. Just never materialized.

So we stand here tonight proud as Democrats of what we have done. We have more to go, and we are not going to give up this fight because our strategy is sound. We invest in people, and that is where it has to be.

Mr. PALLONE. Mr. Speaker, the gentleman pointed out, as did the gentlewoman from Connecticut [Ms. DELAURO] that a lot of promises and a lot of agreements are being broken here.

The gentlewoman from Connecticut [Ms. DELAURO] talked about the contract and the promise to give the child tax credit to everyone who was working and paying taxes. But this promise to reduce the deficit and balance the budget is also a major one that is being broken here. And the analysis that our colleagues on the other side kept bringing up tonight by the Joint Committee on Taxation, I believe was basically looking at the first five years of their proposal, and most of these tax breaks for the wealthy are coming at the end of the 10 years.

The Treasury Department and the other nonpartisan analyses that we have used and the Democrats have mentioned all look at this over the 10 years. What they point out is that with these big tax breaks at the end of the 10 years, this deficit, which as you know, Mr. Speaker, everyone here has been working so hard to try to bring down, now all of a sudden it will start to go up again and balloon and have the negative impact on the economy that we have been so concerned about.

So they are breaking another major promise there with regard to the deficit.

Ms. DELAURO. Mr. Speaker, if the gentleman will continue to yield, sometimes people think that some of the things that are said here at this hour are just something that is created out of whole cloth.

In terms of what you were saying about the second five years and the statistics being cited by our Republican colleagues, the Joint Committee on Taxation, I mean their work, quite frankly, has been debunked, what they have done, because they only look at the first five years.

In today's Washington Post, the people who wrote this bill, to quote, are not defending its distributional consequences; that is, how this money lays out to various groups in the economy. They are denying them. The plain facts are that the bill over time would not just mainly benefit the better off but would cost the government revenues it cannot afford. The bill is carefully written in such a way as to make the revenue loss look small at first. Then it soars. It is not just the Treasury that says so. Using accepted methods

and conventions of analysis, the Congressional Research Service and the vast majority of other analysts do so as well.

Congress's Joint Committee on Taxation says otherwise. The JCT was once the great redoubt of integrity in such matters. It has been converted into a political parrot. This is not only just the Washington Post but distinguished and reputable people are talking about the analysis done by the Joint Committee on Taxation as just now being a political tool and a political arm of the Republican majority.

Mr. PALLONE. Mr. Speaker, I think it is abundantly clear. If you listened, every reference tonight was to the Joint Committee on Taxation which, as you point out, every major newspaper and every nonpartisan analyst has said that this has just become totally politicized in only looking at the first five years.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding. I certainly want to thank him for taking the leadership, as he has continued to do, to bring these groups together to discuss this time after time after time.

I wanted to comment on exactly where he was going in one of his very recent comments there, wondering how do the people, how do people make a decision as to who to believe in a situation like this. In very hotly contested, controversial issue like this, there are claims and counterclaims that are laid down by different people.

I have been in the Congress, now in my 7th year, and it is easy to become quite cynical. I often wonder how it is that people do make those, reach those conclusions.

In this particular year in the tax debate that we have been going through, it seems to me it has been particularly difficult for the Republicans to sustain their deliberate misinformation, deliberate misinformation here about exactly who it is that is going to benefit from their tax cut plan. Because, as you pointed out, the Democratic House and the Republican House and the President and the Senate, which seems to have one plan all its own, but at least those four plans, there are four different plans, all of them are intended to give, because it was an agreement along those lines, exactly the same total amount of tax reduction in a period.

So my colleague from Connecticut points out that the opposite side only counts the portion, because it makes their point, that it is going to be done in the first five years; whereas the agreement that had been reached between the President and the congressional leadership was to cover a whole 10-year period and to make certain that they would not cause a return of deficits in the longer haul.

So it is much easier in this term, in this case to look at what the totals are. Economists from the conservative think tanks, economists from the progressive think tanks have all looked at the different plans and totaled up exactly how they are distributed over the period of time. Very easy to do. Hundreds and hundreds of columns have been written and editorials have been written in newspapers of every stripe all over the country.

Somehow out of all of this, out of all of these columns, people have listened. They have watched programs like this. They have read the editorials and the columns, and out of it all there is now the returns as to how people are thinking about it coming back in the polling that has been done.

A majority of Americans think and believe that the rich would benefit more from the Republican plan than from the Democratic plan. Of course, that is right. And Americans are very wise that way ultimately because they have come to understand that a Republican tax plan is going to benefit the rich. That is just a given about politics.

And then out of this they also have shown in the polling that they prefer the Democratic tax plan over the Republican plan by at least a 2-to-1 margin. That is very understandable, too.

One thing that comes out, however you cut it, slice things up, I want to use kind of an example and take my hand and use as the example cutting all of American families into five parts. The 20 percent of the wealthiest families over here, then down the line to the 20 percent who have the lowest income over at this end.

And the statisticians who have looked at this show quite clearly that the 20 percent wealthiest Americans under the Republican plan get two-thirds. Two-thirds of all of that equal amount total of tax reduction goes to this group.

In the Democratic plan, as it came through the House of Representatives, in the Democratic plan and in the President's plan, it turns out that two-thirds of all of the tax reduction goes to these three groups of families that represent 60 percent of all American families which are the American middle class.

So it is perfectly clear why 60 percent of Americans ought to prefer the Democratic plan, because at least that 60 percent of the families do better, do twice as well at least, all of the families in that middle income area do at least twice as well as they would under the Republican plan, whereas under the Republican plan of course it is only the very wealthiest 20 percent who get the vast majority of the tax reduction.

So there is a great deal of wisdom that comes through and people pick up out of all of what has been said and listening to it all very carefully. They come through with the right answer, that they should prefer the Democratic plan because the Democratic plan gives the vast majority of the money to the great middle class, that group of families in the center.

Then I would like to note one other thing that shows up from the polling, and that is that Americans prefer very strongly, by better than a 2-to-1 margin, the way the Democratic plan deals with cuts, tax cuts attributed to education benefits and those that relate to child tax benefits.

The Americans, by more than a 2-to-1 margin, prefer the Democratic plan on education and for child tax breaks over the Republican plan, which puts more of the money into capital gains tax cuts and estate tax cuts.

Now, why do they prefer the Democratic plan on education, for instance? Well, part of the President's proposal here has been that he is demanding and he is going to defend the idea that there is going to be $35 billion of tax reduction to provide benefits for people to be able to send their kids to college. That was part of the agreement that was reached between the President and the leadership here in the Congress from the majority party.

The difference is that the President, in his plan for giving education tax cuts, would allow a HOPE scholarship to provide up to $1,500, when it is fully phased in, for families in the first 2 years of college. And then in the second 2 years of college, he would allow 20 percent of their tuition costs, up to tuitions of $10,000, to be given in the way of a tax credit.

□ 2330

The Republicans cut those benefits that would go to families that are trying to send their kids to college; would cut those deeply.

The gentleman's chart up there shows that it is almost in half for the HOPE scholarship, in the instance that the gentleman had done, but then to top it off, to top it off, really to add to the insult of cutting the education benefits in half essentially from what the President agreed to, they then raised taxes on graduate students, who also are going to school.

They raise taxes on the families who work for colleges and universities, whose kids are going to those same colleges and universities where they work. They would see an increase in taxes for them. And there are hundreds of thousands of them. And they would raise taxes on the men and women who teach in our colleges and universities by changing and increasing the taxes that they would pay on their retirement plans.

So what we have here is a situation where an agreement was reached to provide $35 million of tax reduction that would help people. And it is particularly middle income families who would be helped here, to help families put their kids through college.

The Republicans have been trying to weasel out on that agreement that they had reached. So that what they are doing is cutting the tax reduction less than what the President has asked for and, in fact, applying taxes to those groups that I mentioned, to the graduate students, to the families who

work at the different colleges and universities, and to the people who teach at those colleges and universities.

That is a pretty weasely thing to do and it is very much against the agreement that had been reached.

On the other hand, if we look at what the proposals are in terms of capital gains, the Republican way of dealing with the capital gains reduction is to give a large tax break to the super rich. Because it is the super rich who have the greatest amount, by a vast majority, by a vast margin of the capital gains in this country anyway. It is the people who have made their vast amount of money on the runup in the stock market and so forth, the very wealthy, who have large amounts in the stock market. They would get a huge benefit out of the capital gains tax reduction that has been proposed.

In the Democratic proposal, middle income families who, yes, some people have a few stocks, I even have a few stocks, but I am not one of those who plays around in the stock market, but I do have a few stocks. But for most middle income families, that three out of five families in the middle, whose income probably lies somewhere between $17,000 a year and somewhere around $75,000 or $80,000 a year, for those families the main thing that they would get or ever see a capital gain on would be their home.

Under the Democratic plan we provide for that capital gains tax reduction on an individual's home, so middle income families get that. But we would not give it for speculations on stock or for the sale of collectibles, stamp collections and coin collections and things of that sort. We would not do that because that is something that would benefit only the super rich.

We would prefer, on the Democratic side, to give the tax breaks to lower income working families in ways of allowing their kids to go to college and giving it on homes and small businesses and the transfers of small businesses, where most of the jobs in this country are provided anyway. That is how the Democratic plan would give out the capital gains tax reductions.

So people, again, prefer or they have shown by a better than 2 to 1 margin that they prefer the Democratic plan on the tax reductions and the President's plan on the education tax reductions over the way the Republicans deal with the education breaks, and would prefer our plan for its education cuts over the Republican plan which has those capital gains tax cuts that I have described as going very much to the very wealthy in this vote.

Again, they are showing the wisdom that Americans ultimately show in these sorts of situations. They have picked up exactly what it is that is going on out of all the rhetoric, out of all the claims and counterclaims, out of all the columns written and all the analyses being done on this, and clearly understand quite clearly which of these plans would be to their greater benefit.

Mr. STUPAK. If the gentleman would yield, on the capital gains tax, I think a very important aspect we should point out here is that underneath the Republican plan, the capital gains drops from 28 to 20 percent, then there is a 26 percent tax on the previously declared depreciation. It is called depreciation recapture, and it is a rather complex formula they have in their bill.

Underneath the Democratic plan, the gentleman is correct that ours goes from 28 percent to 18 percent, and it is for those on their home, small businesses, family-owned businesses transferred within the family members and farms. The point being that we can drop our capital gains greater, from 28 percent to 18 percent, because it is targeted to the middle class and, therefore, we can give a larger aggregate tax break to more people.

Underneath the GOP plan, they go from 28 to 20 percent then a recapture of 26 percent, and it costs us more money because it is geared towards the high income items; collectibles, intangibles, not real things like farms and homes and small businesses.

So I wanted to make the point that underneath the Democratic plan, actually people make out better underneath the Democratic plan, just from 28 to 18, where the Republican plan is 28 to 20 plus a 26 percent recapture tax.

So it is pretty interesting how it all breaks out, because it is all who is it geared for. Is it for the upper 20 percent of the middle class, to use the gentleman's five elements there. I have to go back to the old saying here, here is the upper 20 percent, and it goes to the old saying the rich get richer, the poor get poorer and those of us in the middle get squeezed. And I think the five fingers work pretty good for that.

And that is why under the capital gains, the HOPE scholarship, or even just the earned income tax credit, the $500 per child credit, that is how the Democratic plan works out so much better and reinvests in people and back in this country.

Mr. PALLONE. If I could just say, I am really pleased that the gentleman from Michigan [Mr. STUPAK] pointed out the capital gains difference, because I think the Republicans would like the public to believe that the Democrats are not reducing capital gains. In fact, they are reducing them, in many cases even more, but they are targeting them primarily to homeowners. Whereas as the gentleman mentioned, under the Republican plan it is basically across the board and, therefore, it means with stocks, bonds, collectibles, and all these other things that it is primarily going to the wealthy families.

I would yield back to the gentleman again.

Mr. OLVER. The crux is that we can look at the education tax proposals, we can look at the child tax proposals, and we can look at the capital gains tax proposals and the estate tax proposals and all the others. And each one of them has to be looked at and analyzed, and they have been analyzed by the economists both on the left and the right, and by those columnists and editorialists. And, ultimately, when we put it all together, ultimately when we put it all together, it just turns out that the Democratic plan gives these 60 percent of families in the middle, out of the combination, more than twice as much of the total tax reduction.

And it is equal in the different plans. The total is the same in the different plans. But the Democratic plan and the President's plan gives more than twice as much of that money to these middle income families, the 60 percent in the middle, whereas the Republican plan gives four times as much actually than the Democratic plan to that wealthiest, that wealthiest one out of five families in this country.

That is the major difference. That is what people understand about this. In its gross overall form, that is what I think people understand this year.

Mr. PALLONE. The other thing the gentleman from Massachusetts mentioned, that I think is so important and goes back again to what we were saying in the beginning, is that on the education tax cuts, again the Republicans are breaking the deal.

A commitment was made that a certain percentage of this tax cut plan in dollars was supposed to go to education tax cuts and it was primarily to be targeted to middle income people. And the President was the person who pushed the most for that because President Clinton believed very strongly that we needed a well educated America if we are going to compete in the global economy; that education was the most important thing for the future of the country.

His biggest criticism, and I even have some statements here from Secretary Rubin criticizing the Republican tax incentives with regard to education, is because he says it breaks the deal on the budget, it does not give enough money for education, and it particularly does not help people who are working people at the lower end of the spectrum, so to speak.

If I could just mention briefly some statements from Secretary Rubin's letter to the conferees, he says

> Both the House and Senate bills are inconsistent with the bipartisan budget agreement because they fall far short of meeting the specific agreement of providing roughly $35 billion over 5 years of higher education incentives along the lines of the President's HOPE scholarship credit and tuition deduction proposals. Each bill significantly reduces the value of education benefits for millions of students attending low cost institutions by cutting the percentage of expenses covered by the credit, 50 percent in the House bill, 50 to 75 percent in the Senate bill.

So it is those very students at the low cost institutions of higher education, the community colleges and the other low cost State colleges, that will get less tuition tax credit, which absolutely breaks the deal and makes no

sense, because they are the ones that needs it the most.

So that breaking the deal, I think the gentleman used the term weaseled on the deal, is exactly what we are getting here at every level. But most importantly, and that is what aggravates, I think, President Clinton the most, is on the education tax cuts, because that was the part of the balanced budget agreement he was most concerned about because of his concern about the future of the country.

Mr. OLVER. If the gentleman would yield further for just a moment. I think the President has made it absolutely clear what he will require in order for him to sign this legislation. He wants very badly to sign legislation for a tax reduction, but he is going to make certain that it goes chiefly to the middle class.

He is going to make certain that it does not explode deficits in the outyears so that we do not go through what we went through in the 1980's with the deficits reaching as high as $330 billion a year, as they would have been in fiscal year 1993 if we had not, as the gentleman from Michigan said earlier, if we had not gone through that very tough exercise in 1993.

And thirdly that it must encourage education, because that is the way that our people are going to grow in their opportunities, in their capacities to contribute to America and to their families.

Mr. PALLONE. And the amazing thing, too, going back to these higher education tax credits, is that under the Republican bill, after the first 2 years, because again remember we are trying to get and help people who are at the lower end of the spectrum pay for college education, still working people, though. And I wanted to read again from Secretary Rubin's letter, he says ''Neither bill, House or Senate, offers low income students and students who work to pay tuition meaningful help beyond the first 2 years of higher education. Instead, the bills require taxpayers to have the funds available to put into savings in order to be entitled to any assistance other than for the first 2 years.''

So not only do they take these working students and give them less for the first 2 years than the Democratic plan would, but unless they are in a position to have an IRA or some sort of special savings account, they would not get any help at all in the last 2 years of college. And we of course do the opposite and extend that credit, that education credit, through the whole 4 years of college.

And my colleagues know today that many students need the 4-year degree if they are going to be able to get into the work force. So again it makes no sense. It is geared to the wealthy, not to the middle income people.

And, obviously, this is not over yet, the budget negotiators are still at this, the President is weighing in, and I think all of us here joining in this special order tonight are only doing it because we hope that the people involved in these budget negotiations on the Republican side will wake up, come to their senses, so to speak, and try to help the average working American. This is not too late. This can still be done if they heed their constituents and the will of the American people.

I want to thank the gentlemen for participating in this special order.

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

February 3, 1997

H.J. Res. 25. Joint resolution making technical corrections to the Omnibus Consolidated Appropriations Act, 1997 (Public Law 104–208), and for other purposes.

February 28, 1997

H.J. Res. 36. Joint resolution approving the Presidential finding that the limitation on obligations imposed by section 518A(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, is having a negative impact on the proper functioning of the population planning program.

H.R. 668. An act to amend the Internal Revenue Code of 1986 to reinstate the Airport and Airway Trust Fund excise taxes, and for other purposes.

March 3, 1997

H.R. 499. An act to designate the facility of the United States Postal Service under construction at 7411 Barlite Boulevard in San Antonio, Texas, as the ''Frank M. Tejeda Post Office Building''.

March 19, 1997

H.R. 924. An act to amend title 18, United States Code, to give further assurance to the right of victims of crime to attend and observe the trials of those accused of the crime.

March 25, 1997

H.R. 514. An act to permit the waiver of District of Columbia residency requirements for certain employees of the Office of the Inspector General of the District of Columbia.

April 14, 1997

H.R. 412. An act to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District.

April 24, 1997

H.R. 785. An act to designate the J. Phil Campbell, Senior, Natural Resource Conservation Center.

April 25, 1997

H.R. 1225. An act to make a technical correction to title 28, United States Code, relating to jurisdiction for lawsuits against terrorist states.

April 30, 1997

H.R. 1003. An act to clarify Federal law with respect to restricting the use of Federal funds in support of assisted suicide.

May 14, 1997

H.R. 1001. An act to extend the term of appointment of certain members of the Prospective Payment Assessment Commission and the Physician Payment Review Commission.

May 15, 1997

H.R. 968. An act to amend titles XVIII and XIX of the Social Security Act to permit a waiver of the prohibition of offering nurse aide training and competency evaluation programs in certain nursing facilities.

June 2, 1997

H.R. 1650. An act to authorize the President to award a gold medal on behalf of the Congress to Mother Theresa of Calcutta in recognition of her outstanding and enduring contributions through humanitarian and charitable activities, and for other purposes.

June 4, 1997

H.R. 5. An act to amend the Individuals With Disabilities Education Act, to reauthorize and make improvements to that Act, and for other purposes.

June 12, 1997

H.R. 1871. An act making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, including those in Bosnia, for the fiscal year ending September 30, 1997, and for other purposes.

June 27, 1997

H.J. Res. 32. Joint resolution to consent to certain amendments enacted by the Legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920.

H.R. 956. An act to amend the National Narcotics Leadership Act of 1988 to establish a program to support and encourage local communities that first demonstrate a comprehensive, long-term commitment to reduce substance abuse among youth, and for other purposes.

July 3, 1997

H.R. 363. An act to amend section 2118 of the Energy Policy Act of 1992 to extend the Electric and Magnetic Fields Research and Public Information Dissemination program.

H.R. 1306. An act to amend Federal law to clarify the applicability of host State laws to any branch in such State of an out-of-State bank, and for other purposes.

H.R. 1553. An act to amend the President John F. Kennedy Assassination Records Collection Act of 1992 to extend the authorization of the Assassination Records Review Board until September 30, 1998.

H.R. 1902. An act to immunize donations made in the form of charitable gift annuities and charitable remainder trusts from the antitrust laws and State laws similar to the antitrust laws.

SENATE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the Senate of the following titles:

March 17, 1997

S. J. Res. 5. Joint resolution waiving certain provisions of the Trade Act of 1974 relating to the appointment of the United States Trade Representative.

March 31, 1997

S. 410. An act to extend the effective date of the Investment Advisers Supervision Coordination Act.

May 14, 1997

S. 305. An act to authorize the President to award a gold medal on behalf of the Congress to Francis Albert ''Frank'' Sinatra in recognition of his outstanding and enduring contributions through his entertainment career and humanitarian activities, and for other purposes.

June 18, 1997

S. 543. An act to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers.

June 27, 1997

S. 342. An act to extend certain privileges, exemptions, and immunities to Hong Kong Economic and Trade Offices.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. REYES (at the request of Mr. GEPHARDT) for Tuesday, July 15, 1997, on account of airline equipment problems.

Mr. SCHIFF (at the request of Mr. ARMEY) for today through July 25, on account of medical reasons.

SPECIAL ORDERS

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 Ms. KAPTUR) to revise and extend their remarks and include extraneous material:)

Mr. UNDERWOOD, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

Mr. DELAHUNT, for 5 minutes, today.

Mr. SCOTT, for 5 minutes, today.

Ms. LOFGREN, for 5 minutes, today.

Mr. WATT of North Carolina, for 5 minutes, today.

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

Mr. METCALF, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. KAPTUR) and to include extraneous matter:)

Mr. BENTSEN.

Mr. HAMILTON.

Mr. HOYER.

Mr. THOMPSON.

Mr. FALEOMAVAEGA.

Mrs. MINK of Hawaii.

Mr. TRAFICANT.

Mr. BARRETT of Wisconsin.

Ms. VELÁZQUEZ.

Mr. ETHERIDGE.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. FRANKS of New Jersey.

Ms. ROS-LEHTINEN.

Mrs. ROUKEMA.

Mr. BOB SCHAFFER of Colorado.

Mr. MCCOLLUM.

Mr. GILMAN.

Mr. BEREUTER.

(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)

Mr. PACKARD.

Mr. MCNULTY.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 2018. An act to waive temporarily the Medicaid enrollment composition rule for the Better Health Plan of Amherst, New York.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 11 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, July 17, 1997, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4219. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Almonds Grown in California; Order Amending the Marketing Order [Docket No. A0–214–A7; FV93–981–1] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4220. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Almonds Grown in California; Revision to Requirements Regarding Inedible Almonds [Docket No. FV97–981–3 IFR] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4221. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Soybean Promotion and Research: Amend the Order to Adjust Representation on the United Soybean Board [No. LS–97–005] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4222. A letter from the Administrator, Farm Service Agency, transmitting the Agency's final rule—Implementation of the Inventory Property Management Provisions of the Federal Agriculture Improvement and Reform Act of 1996 [Workplan Number 96–030] (RIN: 0560–AE88) received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4223. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the Notice of Final Priority for fiscal year 1997 for the Rehabilitation Short-Term Training program, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Education and the Workforce.

4224. 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 Implementation Plan; Indiana [IN53–3; FRL–5860–4] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4225. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Summer Flounder, Scup, and Black Sea Bass Fisheries; 1997 Scup Recreational Fishery Measures [Docket No. 960520141–7159–06; I.D. 021897B] (RIN: 0648–AH05) received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4226. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska, Northern Rockfish in the Central Regulatory Area of the Gulf of Alaska [Docket No. 961126334–7025–02; I.D. 071097A] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4227. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Section 1059 Extraordinary Dividends [TD 8724] (RIN: 1545–AU16) received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

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. LIVINGSTON: Committee on Appropriations. Report on the revised subdivision of budget totals for fiscal year 1998 (Rept. 105–185). Referred to the Committee of the Whole House on the State of the Union.

Mr. STUMP: Committee on Veterans' Affairs. H.R. 1362. A bill to establish a demonstration project to provide for Medicare reimbursement for health care services provided to certain Medicare-eligible veterans in selected facilities of Department of Veterans Affairs; with an amendment (Rept. 105–186 Pt. 1). Ordered to be printed.

Mr. MCINNIS: Committee on Rules. House Resolution 187. Resolution providing for consideration of the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act (Rept. 105–187). Referred to the House Calendar.

Mr. WOLF: Committee on Appropriations. H.R. 2169. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes (Rept. 105–188). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of Indiana (for himself and Mr. KENNEDY of Massachusetts):

H.R. 2170. A bill to amend title 5, United States Code, to provide for the reimbursement of expenses incurred by a Federal employee in the adoption of a child, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. DUNCAN:

H.R. 2171. A bill to prohibit athlete agents from soliciting representation of student athletes, and to establish requirements for contracts between athlete agents and student athletes; to the Committee on Education and the Workforce.

By Mr. FRANK of Massachusetts:

H.R. 2172. A bill to amend the Immigration and Nationality Act to make the restrictions on foreign student study at a public elementary or secondary school inapplicable in cases where the school evidences a desire for such result, and to prohibit the use of Federal funds to pay the cost of such study; to the Committee on the Judiciary.

By Mr. FRANKS of New Jersey:

H.R. 2173. A bill to amend the Crime Control Act of 1990 to require reporting of child

abuse by electronic communication service providers; to the Committee on the Judiciary.

Mr. GREENWOOD (for himself, Ms. MOLINARI, Mrs. LOWEY, Mr. WAXMAN, Mr. HORN, Mr. SHAYS, Mr. BILBRAY, Mrs. MORELLA, Ms. WOOLSEY, Mr. COOK, and Mrs. KENNELLY of Connecticut):

H.R. 2174. A bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans; to the Committee on Education and the Workforce, 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. HOLDEN:

H.R. 2175. A bill to amend the Internal Revenue Code of 1986 to provide an investment credit to promote the conversion of U.S. coal and domestic carbonaceous feedstocks into liquid fuels; to the Committee on Ways and Means.

By Mr. MORAN of Virginia:

H.R. 2176. A bill to establish the Professional Boxing Corporation, and for other purposes; to the Committee on Education and the Workforce, 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. SNOWBARGER (for himself, Mr. TIAHRT, Mr. RYUN, and Mr. MORAN of Kansas):

H.R. 2177. A bill to designate the U.S. Courthouse located at 500 State Avenue in Kansas City, KS, as the ''Robert J. Dole United States Courthouse''; to the Committee on Transportation and Infrastructure.

By Mr. THORNBERRY:

H.R. 2178. A bill to amend the Helium Act with respect to disposal of helium; to the Committee on Resources.

By Mr. MCCOLLUM (for himself, Mr. GILMAN, Mr. BURTON of Indiana, Mr. DIAZ-BALART, Ms. ROS-LEHTINEN, Mr. GOSS, Mr. SHAW, Mr. FOLEY, Mr. SOLOMON, Mr. LIVINGSTON, Mr. COX of California, Mr. BALLENGER, Mr. BLUNT, and Mrs. FOWLER):

H.R. 2179. A bill to repeal the authority of the President to suspend the effective date of title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996; to the Committee on International Relations, and in addition to the Committee on the Judiciary, 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.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. FORD and Mr. DAVIS of Illinois.
H.R. 84: Ms. DELAURO.
H.R. 160: Mr. POMEROY.
H.R. 195: Mr. GRAHAM and Mr. INGLIS of South Carolina.
H.R. 216: Mr. KIND of Wisconsin and Mr. BALDACCI.
H.R. 230: Mr. COBLE.
H.R. 446: Mr. CLYBURN.
H.R. 464: Mr. JEFFERSON.
H.R. 475: Mr. DOOLEY of California, Mr. DOYLE, and Mr. DAVIS of Illinois.
H.R. 548: Mr. JEFFERSON.
H.R. 590: Mr. DOOLEY of California.
H.R. 633: Mr. HALL of Texas.
H.R. 674: Mr. GONZALEZ.
H.R. 695: Mr. KENNEDY of Massachusetts, Mrs. KELLY, Mr. METCALF, Mr. MARKEY, Mr. NEAL of Massachusetts, Mrs. EMERSON, Mr. CHRISTENSEN, Mr. WATTS of Oklahoma, Mr. SOUDER, Mr. POMBO, Mr. STENHOLM, Mr. TIAHRT, Mr. MCGOVERN, Mr. PARKER, and Mr. WICKER.
H.R. 699: Mr. BOEHNER and Mr. FOX of Pennsylvania.
H.R. 714: Mr. FOX of Pennsylvania.
H.R. 727: Mr. SKEEN and Mr. LIPINSKI.
H.R. 746: Mrs. CLAYTON and Mr. OLVER.
H.R. 754: Mr. SANDLIN.
H.R. 755: Mr. SNYDER and Mr. HASTINGS of Florida.
H.R. 758: Mr. NEY and Mr. LIVINGSTON.
H.R. 774: Mr. MALONEY of Connecticut.
H.R. 836: Mr. BLUMENAUER.
H.R. 840: Mrs. LOWEY and Mr. BILBRAY.
H.R. 869: Mrs. TAUSCHER.
H.R. 901: Mr. WICKER.
H.R. 925: Mr. BROWN of Ohio.
H.R. 939: Mr. CAMPBELL, Mr. WATKINS, and Mr. SAXTON.
H.R. 1031: Mr. GINGRICH and Mr. FOX of Pennsylvania.
H.R. 1040: Mrs. CHENOWETH.
H.R. 1054: Mr. DEAL of Georgia, Mr. HAYWORTH, and Mr. INGLIS of South Carolina.
H.R. 1125: Mr. VENTO.
H.R. 1126: Mr. HOLDEN.
H.R. 1129: Mr. HORN and Mr. QUINN.
H.R. 1134: Mr. DIAZ-BALART.
H.R. 1147: Mrs. EMERSON.
H.R. 1260: Mrs. JOHNSON of Connecticut, Mr. GOSS, Mr. MCHALE, Mr. BAESLER, Mr. LATOURETTE, Ms. STABENOW, Ms. ROYBAL-ALLARD, and Mr. SANDLIN.
H.R. 1283: Mr. PICKETT, Mr. DREIER, Mr. HASTINGS of Washington, Mr. CONDIT, Mr. MCCOLLUM, and Mr. SALMON.
H.R. 1311: Mr. VENTO.
H.R. 1350: Mr. KLINK, Mrs. LOWEY, and Mr. DIAZ-BALART.
H.R. 1356: Mr. SCARBOROUGH and Mr. FOX of Pennsylvania.
H.R. 1398: Mr. LEWIS of Kentucky.
H.R. 1441: Mr. BURTON of Indiana and Mr. HAMILTON.
H.R. 1464: Mr. PICKETT.
H.R. 1475: Mr. FOX of Pennsylvania.
H.R. 1492: Mrs. TAUSCHER and Mr. MARTINEZ.
H.R. 1544: Mr. SESSIONS, Mr. CALVERT, and Mr. ENGLISH of Pennsylvania.
H.R. 1596: Ms. HARMAN and Mr. ROTHMAN.
H.R. 1623: Mr. GIBBONS, Mr. HAYWORTH, and Mr. MARTINEZ.
H.R. 1635: Mr. HALL of Ohio, Mr. LAZIO of New York, Mr. BOEHLERT, Mr. PRICE of North Carolina, Mr. PASTOR, Mr. QUINN, Ms. FURSE, Mr. HOUGHTON, Mr. REGULA, and Mr. GILMAN.
H.R. 1679: Mr. FOX of Pennsylvania.
H.R. 1689: Ms. HOOLEY of Oregon, Mr. WHITFIELD, and Mr. SHERMAN.
H.R. 1704: Mrs. EMERSON and Mr. WICKER.
H.R. 1727: Mr. MALONEY of Connecticut.
H.R. 1733: Ms. KILPATRICK and Mr. LEVIN.
H.R. 1754: Ms. BROWN of Florida, Mr. CUNNINGHAM, and Mr. DAVIS of Illinois.
H.R. 1797: Mr. TAYLOR of North Carolina, Mr. WALSH, Mr. SHAYS, Mr. HOSTETTLER, Mr. PITTS, and Mr. MANZULLO.
H.R. 1822: Mr. DELLUMS, Mr. COOK, and Mr. SHERMAN.
H.R. 1836: Mr. SKEEN and Mr. MCINTOSH.
H.R. 1842: Mr. STEARNS and Mr. BONILLA.
H.R. 1845: Mr. DOOLEY of California, Mr. FROST, Mr. JOHN, and Mr. JOHNSON of Wisconsin.
H.R. 1863: Mr. WATKINS and Mr. MORAN of Kansas.
H.R. 1864: Mr. COX of California.
H.R. 1914: Mr. FOX of Pennsylvania.
H.R. 1946: Mr. STRICKLAND.
H.R. 1955: Mr. CLEMENT and Mr. PETERSON of Pennsylvania.
H.R. 1984: Mr. HULSHOF, Mr. BUNNING of Kentucky, Mr. NEY, Mr. TAYLOR of North Carolina, Mr. BARTON of Texas, Mr. COSTELLO, Mr. COMBEST, Mr. ENGLISH of Pennsylvania, Mrs. FOWLER, Mr. KLUG, Mr. LAHOOD, Mr. SHIMKUS, Mr. WATTS of Oklahoma, and Mr. KILDEE.
H.R. 2004: Ms. WOOLSEY.
H.R. 2021: Mrs. NORTHUP.
H.R. 2029: Mr. HAYWORTH.
H.R. 2064: Mrs. JOHNSON of Connecticut.
H.R. 2101: Mr. BASS and Mr. PICKERING.
H.R. 2112: Mr. STARK and Mr. EHLERS.
H.R. 2113: Mrs. NORTHUP, Mr. SESSIONS, Mr. HORN, Mr. EVANS, Mrs. MINK of Hawaii, Mr. SHADEGG, and Mr. ENGLISH of Pennsylvania.
H.R. 2116: Mr. BUNNING of Kentucky, Mr. KILDEE, Mr. SABO, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HILLIARD, Mr. DELLUMS, Mr. SANFORD, Mr. FILNER, Mr. DIXON, Mr. ADAM SMITH of Washington, Mr. HOLDEN, Mr. GOODE, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. CLYBURN, and Mr. FROST.
H.R. 2120: Mr. SANDERS, Mr. LIPINSKI, Mr. SANDLIN, Mr. FILNER, Mr. BROWN of California, and Mr. CARSON.
H.R. 2122: Mr. SENSENBRENNER and Mr. MARTINEZ.
H.R. 2143: Mr. STARK and Ms. PELOSI.
H. Con Res. 52: Mr. HASTINGS of Florida, Mr. SAWYER, Mr. KILDEE, Ms. MCCARTHY of Missouri, Mrs. EMERSON, and Mr. LUTHER.
H. Con. Res. 65: Mrs. LINDA SMITH of Washington, Mr. FRELINGHUYSEN, and Mr. ADERHOLT.
H. Con. Res. 80: Mr. CLEMENT, Mr. BOYD, Mr. BACHUS, Mr. KENNEDY of Massachusetts, Mr. STUPAK, Ms. STABENOW, and Mr. NEAL of Massachusetts.
H. Res. 37: Mrs. FOWLER, Mr. COOK, and Mr. WAXMAN.
H. Res. 139: Mr. BASS and Mr. FOX of Pennsylvania.
H. Res. 173: Mr. CLYBURN, Ms. CARSON, Mrs. MYRICK, Ms. DEGETTE, Mr. BLILEY, Mrs. MALONEY of New York, Mrs. LOWEY, Mr. BROWN of California, Mr. GREEN, Ms. STABENOW, Mr. KUCINICH, Mrs. MINK of Hawaii, Mr. LIPINSKI, Mr. ANDREWS, Mr. STARK, Mr. MALONEY of Connecticut, Mrs. THURMAN, Mr. FORD, Mr. CONYERS, Ms. DELAURO, Ms. SLAUGHTER, Mr. MATSUI, Mr. BENTSEN, and Ms. WATERS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1984: Mr. EHLERS.

ADMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1853

OFFERED BY: MR. GOODLING

AMENDMENT NO. 1: Page 3, after line 18, insert the following:

(3) by amending subsection (c) to read as follows:

''(c) NATIONAL PROGRAMS.—None of the funds made available under this section for programs authorized under titles I, II, and part C of title III, shall be used for any program authorized under part A of title III.

Page 3, line 19, strike ''(3)'' and insert ''(4)'' and strike ''(c)'' and insert ''(d)''.

Page 9, strike lines 12 through 14, and insert the following:

''(c) RURAL AND URBAN RESERVE.—A State may reserve not more than 5 percent of the

allotment made under section 102(a)(1) to use for grants to rural areas and not more than 5 percent of such allotment to use for grants to urban areas.''.

Beginning on page 9, strike lines 15 and all that follows through page 10, line 2.

Page 10, after line 2, insert the following:

''(e) DEFINITIONS.—For purposes of this section—

''(1) the term 'rural area' means an area that is not in a metropolitan statistical area;

''(2) the term 'urban area' means an area that serves a central city in a metropolitan statistical area; and

''(3) the terms 'central city' and 'metropolitan statistical area' have the same meanings given such terms in section 10952 of the Elementary and Secondary Education Act of 1965.''.

Page 16, after line 10, insert the following (and redesignate any subsequent subsections accordingly):

''(c) AMOUNT OF GRANTS.—

''(1) IN GENERAL.—If the sums appropriated for any fiscal year for grants under this section are not sufficient to pay in full the total amount which approved applicants are eligible to receive under this section for such fiscal year, the Secretary shall first allocate to each such applicant which received funds under this part for the preceding fiscal year an amount equal to 100 percent of the product of the per capita payment for the preceding fiscal year and such applicant's Indian student count for the current program year, plus an amount equal to the actual cost of any increase to the per capita figure resulting from inflationary increases to necessary costs beyond the institution's control.

''(2) PER CAPITA DETERMINATION.—For the purposes of paragraph (1), the per capita payment for any fiscal year shall be determined by dividing the amount available for grants to tribally controlled postsecondary vocational technical institutions under this part for such program year by the sum of the Indian student counts of such institutions for such program year. The Secretary shall, on the basis of the most accurate data available from the institutions, compute the Indian student count for any fiscal year for which such count was not used for the purpose of making allocations under this section.

Page 22, strike line 13, and insert the following:

(D) by amending paragraph (3) to read as follows:

''(3) The State board shall, for secondary vocational-technical education programs, establish effective activities and procedures, by which parents, students, teachers, and area residents concerned will be able to participate in State and local decisions that influence programs under this Act, and ensure that such individuals are given access to the information needed to use such procedures.''.

Page 23, line 5, strike ''and''.

Page 23, line 9, strike the semicolon and insert ''in current and emerging occupations; and''.

Page 23, after line 9, insert the following:

''(D) how funds will be used to improve or develop new vocational-technical education courses.''.

Page 23, line 13, strike ''and''.

Page 23, line 14, before ''of'' insert '', and evaluation''.

Page 24, line 1, strike ''component'' and insert ''and vocational components''.

Page 24, line 5, after ''academic'' insert ''and vocational''.

Page 24, line 14, after ''describe'', insert '', to the extent practicable,''.

Page 25, strike lines 8 and 9 and insert the following:

''(8) describe what steps the State shall take to involve representatives of local school boards in the development of the State's benchmarks;

''(9) provide a financial audit of funds received under this Act which may be included as part of an audit of other Federal or State programs; and''.

Page 25, line 10, strike ''(9)'' and insert ''(10)''.

Page 27, strike line 11 and insert the following:

''(a) BENCHMARKS.—

''(1) ELIGIBILITY.—To be eligible to receive an allot-''.

Page 27, strike lines 17 through 24 and insert the following:

''(A) attainment of challenging State academic and vocational proficiencies;

''(B) attainment of secondary school diplomas or general equivalency diplomas; and

''(C) placement in, retention in, and completion of, postsecondary education or advanced training, or placement and retention in military service, or employment.

''(2) EXISTING BENCHMARKS.—If a State has developed State performance indicators or benchmarks for skills according to challenging academic or vocational proficiencies consistent with this Act, the State may use such performance indicators or benchmarks in measuring the progress of vocational-technical education students.''.

Page 30, line 3, strike ''have met'' and insert ''have performed in meeting''.

Page 32, line 10, before the semicolon insert '', effective teaching skills based on research, and effective practices to improve parental and community involvement''.

Page 32, line 22 and page 33, line 2, after ''academic'' insert ''and vocational''.

Page 33, line 8, strike ''support for'' and insert ''establishing agreements between secondary and postsecondary vocational-technical education programs in order to provide postsecondary education and training opportunities for students participating in such vocational-technical education programs, such as''.

Page 33, line 23, strike ''and''.

Page 33, line 25, strike the period and all that follows and insert a semicolon.

Page 33, after line 25, insert the following:

''(10) support for education and business partnerships; and

''(11) support to improve or develop new vocational-technical education courses.''; and

Page 34, strike line 7 and insert ''**TIONAL-TECHNICAL EDUCATION PROGRAMS**.''.

Page 36, strike line 1 and all that follows through page 37, line 2, and insert the following:

''(b) SPECIAL DISTRIBUTION RULES FOR SUBSEQUENT FISCAL YEARS.—

''(1) FISCAL YEARS 1999 AND 2000.—In fiscal years 1999 and 2000, each State shall distribute the funds available under this Act in such fiscal years for secondary school vocational-technical education programs to local educational agencies within the State as follows:

''(A) LESSER OR EQUAL AMOUNTS.—Each State shall distribute all funds allocated by the State for each such fiscal year for secondary school vocational-technical education programs in amounts less than or equal to the total amount of funds distributed pursuant to section 231(a) of this Act as such section was in effect on the day before the date of the enactment of the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997 for such programs in fiscal year 1997 as follows:

''(i) 30 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(ii) 70 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

''(B) GREATER AMOUNTS.—Each State shall distribute all funds allocated by the State for each such fiscal year for secondary school vocational-technical education programs in amounts greater than the total amount of funds distributed pursuant to section 231(a) of this Act as such section was in effect on the day before the date of the enactment of the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997 for such programs in fiscal year 1997 as follows:

''(i) 40 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(ii) 60 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

''(2) FISCAL YEAR 2001.—Each State shall distribute funds allocated under this Act in fiscal year 2001 for secondary school vocational-technical education programs to local educational agencies within the State as follows:

''(A) 35 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(B) 65 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

''(3) FISCAL YEAR 2002.—Each State shall distribute funds allocated under this Act in fiscal year 2002 for secondary school vocational-technical education programs to local educational agencies within the State as follows:

''(A) 40 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in

the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(B) 60 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

Page 37, strike lines 7 through 11, and insert the following:

''(1) demonstrates that a proposed alternative formula more effectively targets funds on the basis of poverty (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) to local educational agencies within the State than the formula described in subsection (b);''.

Page 37, line 20, strike ''$7,500'' and insert ''$10,000''.

Page 41, line 5, insert ''and'' after the semicolon.

Page 41, line 9, strike ''be'' and insert ''operate programs that are''.

Page 44, line 12, strike ''$20,000'' and insert ''$35,000''.

Page 47, line 8, strike ''that'' and insert ''which provides vocational-technical education programs and''.

Page 47, line 17, after ''Such'' insert ''vocational-technical education''.

Page 48, line 18, strike ''component'' and insert ''and vocational components''.

Page 48, line 22, after ''academic'' insert ''and vocational''.

Page 49, line 5, strike ''and implementation'' and insert '', implementation, and evaluation''.

Page 49, line 6, before the semicolon insert '', and how these individuals are effectively informed about, and assisted in understanding, the requirements of this Act,''.

Page 49, line 18, strike ''provide'' and insert ''support''.

Page 49, beginning on line 22, strike ''components'' and insert ''and vocational components''.

Page 50, line 2, after ''academic'' insert ''and vocational''.

Page 50, line 20, before the semicolon insert '', effective teaching skills based on research, and effective practices to improve parental and community involvement''.

Page 50, line 25, strike ''vocational'' and insert ''vocational-technical''.

Page 51, beginning on line 18, strike ''The'' and all that follows through ''subsection (b)'' on line 19, and insert ''Funds made available under this part''.

Page 52, line 4, strike ''and implementation'' and insert '', implementation, and evaluation''.

Page 52, line 7, after ''and'' insert ''academic''.

Page 52, line 18, strike ''and''.

Page 52, line 24, strike the period and insert a semicolon.

Page 52, after line 24, insert the following:

''(11) teacher preparation programs which assist individuals who are interested in becoming vocational-technical education instructors, including individuals with experience in business and industry;

''(12) improving or developing new vocational-technical education courses; and

''(13) support for family and consumer sciences programs.

Page 55, line 1, after ''expenditures'' insert ''of funds provided under this Act''.

Page 55, strike line 14 and insert the following:

''(c) COLLECTION OF INFORMATION AND REPORT.—''.

Page 56, line 19, after the semicolon insert ''and''.

Page 56, after line 19 insert the following:

''(C) to carry out research that can be used to improve teaching and learning in the vocational-technical education classroom;''.

Page 56, line 20, strike ''(C)'' and insert ''(D)'' and strike ''programs'' and insert ''research''.

Page 59, line 10, strike ''4-year'' and insert ''4 or 6-year''.

Page 62, line 22, strike ''$200,000'' and insert ''$250,000''.

Page 64, line 2, strike ''Part C'' and insert ''Parts C, D, E, F, G, and H''.

Page 64, line 4, strike ''is'' and insert ''are''.

Page 65, lines 5 and 14, strike ''program'' and insert ''fiscal''.

Page 65, line 21, strike ''similar windfalls,''.

Page 67, line 18, before the semicolon insert ''or to participate in any vocational-technical education program''.

Page 67, line 20, strike ''or'' and insert ''of''.

Page 67, line 22, strike ''or'' after the semicolon.

Page 67, line 24, after ''or'' insert ''federally''.

Page 67, line 25, strike the period and insert '', unless the participant has selected and is participating in a program or course of study that requires, as a condition of completion, attainment of an industry-recognized skill or standard; or''.

Page 67, after line 25, insert the following:

''(4) to require any individual to obtain a federally funded or endorsed certificate of mastery.''.

Page 68, after line 21, insert the following:

''SEC. 409. PARTICIPATION OF PRIVATE SCHOOL PERSONNEL.

''A State or local educational agency which uses funds under this Act for inservice and preservice vocational-technical education professional development programs for vocational-technical education teachers, administrators, and other personnel may, upon request, permit the participation in such programs of vocational-technical education teachers, administrators, and other personnel in nonprofit private schools offering vocational-technical education programs located in the geographical area served by such agency.''.

Page 70, line 6, strike ''For'' and insert ''(a) GENERAL RULE.—Except as provided in subsection (b), for''.

Page 70, after line 11, insert the following:

''(b) EXCEPTION.—If the amount made available for administration of programs under this Act for a fiscal year is less than the amount made available for administration of programs under this Act for the preceding fiscal year, the amount the State is required to provide from non-Federal sources for costs the State incurs for administration of programs under this Act shall be the same percentage as the amount made available for administration of programs under this Act.

Page 73, after line 21, insert the following (and redesignate any subsequent paragraphs accordingly):

''(4) CAREER GUIDANCE AND ACADEMIC COUNSELING.—The term 'career guidance and academic counseling' means providing individuals with information access on career awareness and planning for their occupational and academic future which shall involve career options, financial aid, and post-secondary options.

Page 74, line 2, after ''related'' insert ''vocational-technical education''.

Page 77, beginning on line 13, strike ''through applied academics'' and insert ''(including through applied academics)''.

Page 78, line 2, strike ''employment sectors'' and insert ''occupations which require other than a baccalaureate or an advanced degree''.

H.R. 1853

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 2: Page 52, after line 15, insert the following (and redesignate any subsequent paragraphs accordingly):

''(8) providing an on-site workforce development coordinator who will coordinate activities described in this section with an emphasis on developing additional curricula in cooperation with local area businesses;''.

H.R. 1853

OFFERED BY: MR. KLINK

AMENDMENT NO. 3: Page 30 strike lines 5 through 9, and insert the following:

''(2) INFORMATION DISSEMINATION.—

''(A) STATE REQUIREMENTS.—Each State shall make the information contained in reports described under paragraph (1) available to the general public through publication and other appropriate methods which may include electronic communication.

''(B) SECRETARY REQUIREMENTS.—The Secretary shall make the information contained in such reports available to the general public through publication and other appropriate methods which may include electronic communication.

H.R. 1853

OFFERED BY: MR. KLINK

AMENDMENT NO. 4: Page 30, strike lines 5 through 9, and insert the following:

''(2) INFORMATION DISSEMINATION.—

''(A) STATE REQUIREMENTS.—Each State shall make the information contained in reports described under paragraph (1) available to the general public through publication and other appropriate methods which may include electronic communication. Such reports shall be disaggregated by each local educational agency and post secondary institution receiving funds under this Act.

''(B) SECRETARY REQUIREMENTS.—The Secretary shall make the information contained in such reports available to the general public through publication and other appropriate methods which may include electronic communication.

H.R. 1853

OFFERED BY: MRS. MINK OF HAWAII

AMENDMENT NO. 5: Page 21, line 4, strike ''(b)'' and insert ''(c)''.

Page 21, line 6, strike ''(b)'' and insert ''(c)''.

Page 21, line 10, strike the periods and end quotation marks and insert a semicolon.

Page 21, after line 10, insert the following:

(5) in subsection (b)(1)—

(A) in subparagraph (A)—

(i) by striking ''section 221'' and inserting ''paragraph (3) of section 201(c); and

(ii) by striking ''section 222'' and inserting ''paragraph (4) of section 201(c)''; and

(B) by striking subparagraph (J).

Page 33, after line 12, insert the following (and redesignate the subsequent paragraphs accordingly):

''(4) sex equity programs;''.

Page 34, after line 5, insert the following:

''(e) HOLD HARMLESS.—Notwithstanding the provisions of this part or section 102(a), to carry out programs described in paragraphs (3) and (4) of subsection (c), each eligible recipient shall reserve from funds allocated under section 102(a)(1), an amount that

is not less than the amount such eligible recipient received in fiscal year 1997 for carrying out programs under sections 221 and 222 of this Act as such sections were in effect on the day before the date of the enactment of the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997.

H.R. 2158

OFFERED BY: MR. DAVIS OF ILLINOIS

AMENDMENT NO. 27: Page 11, line 7, insert ''(increased by $100,000,000)'' after the dollar amount.

Page 61, line 13, insert ''(reduced by $100,000,000)'' after the dollar amount.

H.R. 2159

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 24: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. (a) None of the funds appropriated in this Act may be made available to any Government of Cambodia that has not been elected.

H.R. 2159

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 25: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. (a) None of the funds appropriated in this Act may be made available to any Government of Cambodia that has not been democratically elected.

H.R. 2159

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 26: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. (a) None of the funds appropriated in this Act may be made available to Cambodia except for basic humanitarian needs assistance that is provided through private voluntary organizations certified by the United States Agency for International Development and except for funds made available through the National Endowment for Democracy.

H.R. 2159

OFFERED BY: MR. CAMPBELL

AMENDMENT NO. 27: Page 13, line 4, after ''$2,400,000,000'' insert ''(reduced by $25,000,000)''.

Page 36, line 10, after ''$25,000,000'' insert ''(increased by $25,000,000)''.

H.R. 2159

OFFERED BY: MR. COBURN

AMENDMENT NO. 28: At the end of the bill, insert after the last section (preceding the short title) the following new section:

UNITED STATED MAN AND THE BIOSPHERE PROGRAM LIMITATION

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be made available for the United States Man and the Biosphere Program, or related projects.

H.R. 2159

OFFERED BY: MR. FOX OF PENNSYLVANIA

AMENDMENT NO. 29: Page 94, after line 3, insert the following:

SEC. 572. None of the funds made available under the heading ''DEVELOPMENT ASSISTANCE'' may be used to support or promote trophy hunting or the international commercial trade in elephant ivory, elephant hides, or rhinoceros horns.

H.R. 2159

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 30: At the end of the bill, insert after the last section (preceding the short title) the following new section:

PROHIBITION OF FUNDS FOR SCHOOL OF THE AMERICAS

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be used for programs at the United States Army School of the Americas located at Fort Benning, Georgia.

H.R. 2159

OFFERED BY: MR. METCALF

AMENDMENT NO. 31: Page 94, after line 3, insert the following new section:

SENSE OF CONGRESS REGARDING INTERFERENCE OF EUROPEAN COMMISSION IN UNITED STATES BUSINESS TRANSACTION

SEC. 572. (a) STATEMENT OF FINDINGS.—The Congress makes the following findings:

(1) The Boeing Company and McDonnell Douglas have announced their merger.

(2) The Department of Defense has approved the merger as consistent with the national security of the United States.

(3) The Federal Trade Commission has found that the merger does not violate the antitrust laws of the United States.

(4) The European Commission has consistently criticized and threatened the merger before, during, and after its consideration of the facts.

(5) The sole true reason for the European Commission criticism and imminent disapproval of the merger is to gain unfair competitive advantage for Airbus Industries, a government-owned aircraft manufacturer.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) any disapproval by the European Commission of the merger of the Boeing Company and McDonnell Douglas would constitute an unwarranted and unprecedented interference in a United States business transaction that would threaten thousands of American aerospace jobs; and

(2) the President should take such actions as he considers to be appropriate to protect United States interests in connection with this matter.

H.R. 2159

OFFERED BY: MR. PAUL

AMENDMENT NO. 32: After the last section (preceding the short title), insert the following:

LIMITATION ON FUNDS FOR ABORTION, FAMILY PLANNING, OR POPULATION CONTROL EFFORTS

SEC. 572. (a) None of the funds appropriated or otherwise made available by this Act may be made available for—

(1) population control or population planning programs;

(2) family planning activities; or

(3) abortion procedures.

H.R. 2159

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 33: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON PROCUREMENT OUTSIDE THE UNITED STATES

SEC. 572. Funds appropriated or otherwise made available by this Act may be used for procurement outside the United States or less developed countries only if—

(1) such funds are used for the procurement of commodities or services, or defense articles or defense services, produced in the country in which the assistance is to be provided, except that this paragraph only applies if procurement in that country would cost less than procurement in the United States or less developed countries;

(2) the provision of such assistance requires commodities or services, or defense articles or defense services, of a type that are not produced in, and available for purchase from, the United States, less developed countries, or the country in which the assistance is to be provided; or

(3) the President determines on a case-by-case basis that procurement outside the United States or less developed countries would result in the more efficient use of United States foreign assistance resources.

H.R. 2159

OFFERED BY: MR. YATES

AMENDMENT NO. 34: At the end of the bill, insert the following after the last section (preceding the short title):

LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF CROATIA

SEC. 572. (a) LIMITATION.—None of the funds appropriated or otherwise made available by title II of this Act may be made available to the Government of Croatia if that government relocates the remains of Croatian Ustashe soldiers, who participated during the Holocaust in the mass murder of Jews, Serbs, and Gypsies, at the site of the World War II concentration camp at Jasenovac, Croatia.

(b) ASSISTANCE TO NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance to the Government of Croatia shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961.

(c) TERMINATION OF PROHIBITION.—The prohibition under subsection (a) with respect to the Government of Croatia shall terminate after the Government of Croatia provides the Secretary of State with compelling proof that the historical symbolism of Jasenovac, and the remains of those who were murdered by the Nazis and their collaborators, will remain undisturbed and that no other remains will ever be added to the remains of the victims of Nazi tyranny buried at Jasenovac, Croatia.

(d) NATIONAL INTEREST EXCEPTION.—Assistance restricted by subsection (a) may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(e) REPORT TO CONGRESS.—Whenever the President makes a determination under subsection (d), the President shall submit to the appropriate congressional committees a report with respect to the furnishing of assistance pursuant to the determination. Any such report shall include a detailed explanation of the assistance and how it furthers United States national interests.

(f) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committees on Appropriations of the House of Representatives and Senate.

H.R. 2160

OFFERED BY MRS. CLAYTON

AMENDMENT NO. 12: Page 49, line 21, insert ''(increased by $2,478,000,000)'' after the first dollar figure.

Page 49, at the end of line 14, add the following:

Each amount otherwise appropriated in this Act (other than this paragraph) is hereby reduced by 5 percent.

H.R. 2160

OFFERED BY MRS. CLAYTON

AMENDMENT NO. 13: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 728. The amount otherwise provided by this Act for ''SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)'' is hereby increased by $184,000,000 and each other amount appropriated or otherwise made available by this

Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 0.37 percent.

H.R. 2160

OFFERED BY: MR. SMITH OF MICHIGAN

AMENDMENT NO. 14: Insert before the short title the following new section:

SEC. . None of the funds appropriated or made available by this Act may be used to pay the salaries and expenses of personnel who work at a regional office of the Natural Resources Conservation Service or to provide a support service for a regional office of the Natural Resources Conservation Service.

H.R. 2160

OFFERED BY: MR. WYNN

AMENDMENT NO. 15: Insert before the short title the following new section:

SEC. . (a) For an additional amount for the Department of Agriculture (consisting of an additional $1,500,000 for ''DEPARTMENTAL ADMINISTRATION''), and none of the funds made available in this Act to such Department may be used to provide assistance to, or to pay the salaries of personnel who carry out, a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance in an aggregate amount of funds and/or commodities in excess of $68,500,000, $1,500,000.

(b) Of the amount under the heading ''DEPARTMENTAL ADMINISTRATION'' in title I, $13,300,000 is for civil rights enforcement at the Department of Agriculture.

H.R. 2160

OFFERED BY: MR. WYNN

AMENDMENT NO. 16: Insert before the short title the following new section:

SEC. . For an additional amount for the Department of Agriculture (consisting of an additional $1,500,000 for ''DEPARTMENTAL ADMINISTRATION''), and none of the funds made available in this Act to such Department may be used to provide assistance to, or to pay the salaries of personnel who carry out, a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance in an aggregate amount of funds and/or commodities in excess of $68,500,000, $1,500,000.