like this can help cities protect themselves from drought and reduce the need to import water from distant reservoirs. H.R. 2334 will make a very modest amount of Federal financial help available to help construct this project.

I urge my colleagues to support H.R. 2334.

Mr. Speaker, at this time, I yield such time as she may consume to the gentlewoman from California, LOIS CAPPS.

(Mrs. CAPPS asked and was given permission to revise and extend her remarks.)

Mrs. CAPPS. Mr. Speaker, my hope is that I can explain and demonstrate sufficiently the enthusiasm for this legislation by my constituents in the city of Oxnard. I rise in support of H.R. 2334, and it is called the Oxnard Water Recycling and Desalination Act.

First I want to thank Chairman POMBO and Ranking Member RAHALL for their support of this measure. I also want to thank the subcommittee chairman, Mr. RADANOVICH, and Ranking Member NAPOLITANO and their staffs for the key role in the bill's passage.

H.R. 2334 authorizes a regional water resources project. It is named the Groundwater Recovery Enhancement and Treatment Act, or, as the initials will summarize to, it is the GREAT program, and it is great in many ways, located in my congressional district.

Oxnard, California, as so many communities today, are faced with the difficult task of providing reliable and safe drinking water for their customers. The city of Oxnard has taken this situation and worked on it. It is one of California's fastest growing cities. The water needs of the city's agricultural users has exceeded its local water resources. Agriculture is the mainstay of the economy and the region, but at the same time many people are moving to the area.

Now, consequently, over 50 percent of its water has had to be imported from outside sources. Recognizing these challenges, Oxnard developed the GREAT program to address its long-term water needs, and as my colleague, Mr. KILDEE from Michigan illustrated, the city itself and the surrounding areas grappled with this issue themselves, recognizing that they needed to be creative and come up with a solution that would meet their needs.

This GREAT program includes a new regional groundwater desalination facility to serve potable water customers in the city of Oxnard. It includes a recycled water system to include agricultural water users and an added protection against seawater intrusion.

Finally, it includes a wetlands restoration component that reuses the discharges from the groundwater desalination and recycled groundwater treatment facilities. It is a full-circle opportunity to take every advantage of the water supplies that are there to enhance them and even to reuse them.

Implementation of this GREAT program will provide many significant regional benefits. It will reduce the consumption of groundwater for agricultural and industrial purposes. It will cut imported delivery water requirements, and it will improve local reliability of high-quality water deliveries. It will also add enormously to the restoration of the wetlands in the region.

Mr. Speaker, I commend this Resources Committee for trying to find innovative and effective ways of extending water supplies in the West.

□ 1715

In my view, the City of Oxnard Water and Desalination Act offers such a creative solution.

Again, I thank the Committee on Resources for supporting this bill, and I urge its immediate passage.

Mr. Speaker, I rise in strong support of H.R. 2334, the City of Oxnard Water Recycling and Desalination Act.

First, I want to thank my colleagues from California, the chairman of the Resources Committee, Mr. POMBO, the chairman and ranking member of the Subcommittee on Water and Power, Mr. RADANOVICH and Ms. NAPOLITANO, as well as the ranking member of the full committee, Mr. RAHALL, for expediting the consideration of this legislation and for bringing H.R. 2334 before us today.

H.R. 2334 would authorize a proposed regional water resources project—the Groundwater Recovery Enhancement and Treatment or GREAT Program—located in my congressional district.

As you know, many communities today are faced with the difficult task of providing reliable and safe water to their customers. The city of Oxnard is no exception.

Oxnard is one the California's fastest growing cities and is facing an ever growing crisis: It's running out of affordable water. The water needs for the city's agricultural and industrial base, together with its growing population, has exceeded its local water resources. Consequently, over 50 percent of its water has to be imported from outside sources.

However, through a series of local, State and Federal restrictions the amount of imported water available to the city is shrinking, while the cost of that water is rising. Recognizing these challenges, Oxnard developed the GREAT Program to address its long term water needs.

The GREAT Program elements include: a new regional groundwater desalination facility to serve potable water customers in Oxnard and adjacent communities; a recycled water system to serve agricultural water users, and added protection against seawater intrusion and saltwater contamination; and a wetlands restoration and enhancement component that efficiently reuses the brine discharges from both the groundwater desalination and recycled water treatment facilities.

Implementation of the GREAT Program will provide many significant regional benefits.

First, the new desalination component will serve ratepayers in Oxnard and adjacent communities, guaranteeing sufficient water supplies for the area.

Second, Oxnard's current water infrastructure delivers approximately 30 million gallons of treated wastewater per day to an ocean outfall. The GREAT Program will utilize the resource currently wasted to the ocean and treat it so that it can be reused by the agricultural water users in the area.

During the non-growing season, it will inject the resources into to the groundwater to serve as a barrier against seawater intrusion and saltwater contamination. To alleviate severely depressed groundwater levels, this component also includes pumping groundwater into the aquifer to enhance groundwater recharge.

Finally, the brine produced as a by-product of the desalination and recycling plants will provide a year-round supply of nutrient rich water to the existing wetlands at Ormond Beach.

Mr. Speaker, I commend the Resources Committee for trying to find innovative and effective ways of extending water supplies in the West. In my view, the city of Oxnard Water Recycling and Desalination Act offers such a creative solution. It will reduce the consumption of groundwater for agricultural and industrial purposes, cut imported water delivery requirements, and improve local reliability of high quality water deliveries.

Again, I would like to thank the Committee on Resources for supporting this bill, and urge its immediate passage.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 2334, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: ''a bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of permanent facilities for the GREAT project to reclaim, reuse, and treat impaired waters in the area of Oxnard, California.''

A motion to reconsider was laid on the table.

APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 2006

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2832) to reauthorize and improve the program authorized by the Appalachian Regional Development Act of 1965.

The Clerk read as follows:

S. 2832

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Appalachian Regional Development Act Amendments of 2006''.

SEC. 2. LIMITATION ON AVAILABLE AMOUNTS; MAXIMUM COMMISSION CONTRIBUTION.

(a) GRANTS AND OTHER ASSISTANCE.—Section 14321(a) of title 40, United States Code, is amended—

(1) in paragraph (1)(A), by striking clause (i) and inserting the following:

''(i) the amount of the grant shall not exceed—

''(I) 50 percent of administrative expenses;

''(II) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which a distressed county designation is in effect under section 14526, 75 percent of administrative expenses; or

''(III) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which an at-risk county designation is in effect under section 14526, 70 percent of administrative expenses;''; and

(2) in paragraph (2), by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B), of the cost of any activity eligible for financial assistance under this section, not more than—

''(i) 50 percent may be provided from amounts appropriated to carry out this subtitle;

''(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this subtitle; or

''(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this subtitle.''.

(b) DEMONSTRATION HEALTH PROJECTS.—Section 14502 of title 40, United States Code, is amended—

(1) in subsection (d), by striking paragraph (2) and inserting the following:

''(2) LIMITATION ON AVAILABLE AMOUNTS.—Grants under this section for the operation (including initial operating amounts and operating deficits, which include the cost of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with amounts authorized by this section, may be made for up to—

''(A) 50 percent of the cost of that operation;

''(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of the cost of that operation; or

''(C) in the case of a project to be carried out for a county for which an at-risk county designation is in effect under section 14526, 70 percent of the cost of that operation.''; and

(2) in subsection (f), by adding at the end the following:

''(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to the lesser of—

''(A) 70 percent; or

''(B) the maximum Federal contribution percentage authorized by this section.''.

(c) ASSISTANCE FOR PROPOSED LOW- AND MIDDLE-INCOME HOUSING PROJECTS.—Section 14503 of title 40, United States Code, is amended—

(1) in subsection (d), by striking paragraph (1) and inserting the following:

''(1) LIMITATION ON AVAILABLE AMOUNTS.—A loan under subsection (b) for the cost of planning and obtaining financing (including the cost of preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, application and mortgage commitment fees, legal fees, and construction loan fees and discounts) of a project described in that subsection may be made for up to—

''(A) 50 percent of that cost;

''(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of that cost; or

''(C) in the case of a project to be carried out for a county for which an at-risk county designation is in effect under section 14526, 70 percent of that cost.''; and

(2) in subsection (e), by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—A grant under this section for expenses incidental to planning and obtaining financing for a project under this section that the Secretary considers to be unrecoverable from the proceeds of a permanent loan made to finance the project shall—

''(A) not be made to an organization established for profit; and

''(B) except as provided in paragraph (2), not exceed—

''(i) 50 percent of those expenses;

''(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of those expenses; or

''(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent of those expenses.''.

(d) TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.—Section 14504 of title 40, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

''(1) 50 percent may be provided from amounts appropriated to carry out this section;

''(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

''(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.''.

(e) ENTREPRENEURSHIP INITIATIVE.—Section 14505 of title 40, United States Code, is amended by striking subsection (c) and inserting the following:

''(c) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

''(1) 50 percent may be provided from amounts appropriated to carry out this section;

''(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

''(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.''.

(f) REGIONAL SKILLS PARTNERSHIPS.—Section 14506 of title 40, United States Code, is amended by striking subsection (d) and inserting the following:

''(d) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

''(1) 50 percent may be provided from amounts appropriated to carry out this section;

''(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

''(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.''.

(g) SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.—Section 14507(g) of title 40, United States Code, is amended by adding at the end the following:

''(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to 70 percent.''.

SEC. 3. DISTRESSED, AT-RISK, AND ECONOMICALLY STRONG COUNTIES.

Section 14526(a)(1) of title 40, United States Code, is amended—

(1) by redesignating subparagraph (B) as subparagraph (C);

(2) in subparagraph (A), by striking ''and'' at the end; and

(3) by inserting after subparagraph (A) the following:

''(B) designate as 'at-risk counties' those counties in the Appalachian region that are most at risk of becoming economically distressed; and''.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 14703 of title 40, United States Code, is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—In addition to amounts made available under section 14501, there are authorized to be appropriated to the Appalachian Regional Commission to carry out this subtitle—

''(1) $95,200,000 for fiscal year 2007;

''(2) $98,600,000 for fiscal year 2008;

''(3) $102,000,000 for fiscal year 2009;

''(4) $105,700,000 for fiscal year 2010; and

''(5) $109,400,000 for fiscal year 2011.''.

SEC. 5. TERMINATION.

Section 14704 of title 40, United States Code, is amended by striking ''2006'' and inserting ''2011''.

SEC. 6. EFFECTIVE DATE.

The amendments made by this Act take effect on October 1, 2006.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

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

Mr. Speaker, S. 2832 reauthorizes and improves the Appalachian Regional Commission, the ARC. I want to point out very early on that there are no earmarks in this legislation.

The ARC has been a successful program for the past 40 years and has helped reduce the Appalachian region's poverty level, cut the infant mortality rate, increased the percentage of adults with a high school diploma, provided water and sewer services to a significant number of households and businesses, and created new jobs.

S. 2832 is a simple 5-year reauthorization, increasing authorization levels to adjust for inflation. The reauthorization also makes a minor change to the economic status designations of ARC counties. Currently ARC has four statutory designations which are determined by the unemployment rate, per capita income and poverty rate of each ARC county.

The bill creates an additional designation to assist counties that are at risk, yet don't fully qualify as distressed. Currently these counties may only be funded up to 50 percent of project costs. At-risk counties have fragile economies and have significant difficulty meeting the current 50 percent match rate to participate in the program.

In many cases, at-risk counties were recently distressed and eligible for an 80 percent Federal match. The addition of the ''at risk'' designation will further assist counties as they transition from distressed to the transitional designation and fund projects in these counties up to 70 percent of the project costs.

The ARC is viewed by most as a successful model for economic development, and the ARC has done a great job encouraging local economic development by making use of local resources for the benefit of the community.

It was recently estimated that each dollar of ARC funding leveraged $2.57 in other public funding and $8.46 in related private funding. The ability to leverage a large amount of other public and private funding makes ARC a very valuable tool for our communities.

The Appalachian Regional Commission is a vital tool for economic development in Appalachia, and the program will end in 10 days unless we pass S. 2832 today. I want to repeat, the program will end in 10 days unless we pass S. 2832 today. We must ensure continuation of the successful program and further express our support of the hardworking people in the Appalachian region.

I want to remind my fellow colleagues that there are no earmarks in this reauthorization.

I encourage my colleagues to join me in support of S. 2832.

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

Mr. OBERSTAR. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Mr. Speaker, it is with true regret that I rise to urge my colleagues to oppose S. 2832, a bill to reauthorize the Appalachian Regional Commission. I urge my colleagues to oppose this bill not for what it does, but for what it does not do. S. 2832 does not protect each ARC State funding allocation from the effects of earmarking in this Chamber.

The House bill does contain such protection. H.R. 5812, which has strong bipartisan support, contains language that provides each State with protection against raiding its funding allocation for earmarked projects. The House bill contains a provision that says, ''Funds approved by the Commission for a project in an Appalachian State pursuant to Congressional direction shall be derived from such State's portion of the Commission's allocations of appropriated amounts among the States.''

By requiring that funds for earmarked projects come from the State allocation, this language protects all rank-and-file members in ARC counties from an inequitable distribution of ARC funds.

The Senate bill contains no such provision. It is inconsistent with earmark reform legislation and does nothing to stop the unbalanced distribution of funds that is characteristic of earmarking. With its very limited amount of program funds, it is essential that fund allocations be done based on need, not on the whims of a few.

We are all aware of the phenomenal success of the Appalachian Regional Commission. Since its creation in 1965, the ARC has worked to transform the Appalachian region and bring it into the American economic mainstream. The number of economically distressed counties has been cut by more than half. The per capita income gap between Appalachia and the U.S. has been reduced from 22 percent below the national average in 1965 to 18 percent in 2001. Infant mortality rates have fallen, and adults with high school diplomas have increased by over 70 percent.

To ensure progress and ongoing success of this breakthrough ARC program, it is essential that each State receive its fair share based on the ARC formula. S. 2832 opens the door for tampering with this successful formula, and I encourage my colleagues on both sides of the aisle to oppose S. 2832.

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

Mr. Speaker, I would just like to remind the gentleman, my good friend from Tennessee, that if we oppose this legislation, in 10 days this important legislation and important Commission will expire, so it is imperative that we pass this piece of legislation.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from West Virginia (Mrs. CAPITO), who has been a great leader on moving forward this reauthorization bill.

Mrs. CAPITO. Mr. Speaker, I would like to thank the chairman for not only his interest in this legislation, but his willingness to come to my State and his support.

I rise in support of this legislation to reauthorize the Appalachian Regional Commission through 2011. My State of West Virginia is the only State fully within the boundaries of the ARC, and I am proud of the work that the Commission has accomplished in our State.

Since the last reauthorization, three counties in my congressional district, and I have 18 counties, three of those counties, Lewis, Upshur and Randolph, have been removed from the list of economically distressed counties. That is good news. Putnam County, another one of my counties, has jumped to the competitive category.

I am pleased that this legislation codifies ARC's at-risk designation to protect counties like Lewis and Upshur that have fragile economies and could be in danger of falling back into the distressed category. This bill will permit the ARC to fund up to 70 percent of the cost of projects in designated at-risk counties.

The chairman of the subcommittee Mr. SHUSTER, the ARC Federal cochair Anne Pope, and I held a listening session earlier this month in Randolph County to hear some of the ways that the ARC has helped spur growth. We heard from several local elected officials, and we heard from really a variety of different entities in the county on how the ARC has helped spur development in Randolph County.

The director of the West Virginia Wood Technology Center spoke to us about an ARC grant that helped workers learn the skills they need to work in the timber industry, in the forest industry. We heard from a teacher who received an entrepreneurship award to train high school students and actually won an award for that and traveled to Washington with her student to accept that award, and has since spurred that student on to graduating from college and becoming an accountant.

We heard from the chairman of a rural public service district who is expanding sewer service with ARC funds. And we heard from the director of a regional planning council that assisted a seven-county region in obtaining grant funds for economic development.

Job training, economic development, education benefits, housing and helping to build a community infrastructure are just some of the achievements of the ARC in this one county over the last several years.

Mr. Speaker, I look forward to the day when every West Virginia county and every Appalachian county is strong enough economically that the ARC is unnecessary. Until then, since 1965 until in 2011, until then, however, ARC is a tremendous asset in improving communities across the region.

I know that there is some disagreement regarding this legislation, we heard about that, but the ARC and the programs it supports has broad bipartisan support across Appalachia. The Senate passed this bill by unanimous consent, and I hope my colleagues will pass the bill so that it can be signed into law.

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

Mr. Speaker, I love the Appalachian Regional Commission. I love what it has accomplished. I have followed the work of Franklin D. Roosevelt, Jr., when he was designated by John F. Kennedy to travel throughout the 13 States of the Appalachian region and report back to him on his findings and suggestions of what to do and how to rebuild the economies of those 13 States.

Out of that came the Appalachian Regional Commission. I was staff director on the Committee on Public Works then at the time and participated in the drafting of the ARC bill, and separately the writing of the Public Works and Economic Development Act of 1965. I have one of the pens that Lyndon

Johnson used to sign the EDA bill into law.

Years later, when it became my opportunity to be a Member of Congress and to chair the Investigations and Oversight Subcommittee, and the Economic Development Subcommittee prior to that, it was at a time when President Reagan had just been elected and submitted his budget to the Congress, the Budget Reconciliation Act. It called for abolishing the Appalachian Regional Commission and the Economic Development Administration.

I said that is not right. We are not going to stand and let that happen. The gentleman's predecessor, his father Bud Shuster, stood with us as we stood up to the Reagan administration, to Budget Director Stockman, and we traveled throughout the Appalachian region holding hearings.

We heard such wonderful testimony as before the Appalachian Regional Commission. The way up for people in this region was a bus ticket north to Detroit and Chicago and Cleveland. But the economy for 100 years was characterized by 80 acres and a mule.

We went to Duff, Tennessee, and heard from Tilda Kemplen, director of a child development center, who said at the conclusion of her testimony, ''Gentleman,'' and the gentleman there at the hearing were myself and Mr. Clinger of Pennsylvania, the ranking Republican on the subcommittee, she said, ''Gentleman, when you go back to Washington and look at the dollar, try to look over the top of the dollar, not to see George Washington, but to see a child.''

And when we went into West Virginia, we stayed with the previous speaker. The mayor of the little town at which we held our hearing took us around the town to see what it had looked like and what it was coming to be with the investments from ARC. And as I stood in the store which the mayor owned and operated, behind the cash register on the wall was a little sign that said, ''God never put nobody in a place too small to grow.'' That is the spirit of Appalachia.

Over the years, those investments of the ARC have taken this region, which was at 45 percent of per capita income, and boosted it up to 75 percent of national capita income. That is an extraordinary accomplishment.

The Backbone Highway System that has opened the region up to trade and growth and opportunity has been critical to the growth of this region. But in 1982, the administration said, no, we don't want to continue this program. But the Congress said yes. We reported a bill from the Committee on Public Works, brought it to the House floor, passed 382 to something. But the Senate wouldn't act on it; it was a Republican majority in the Senate. They were working with the administration, and they said no.

But because the House had spoken, the House Appropriations Committee, they said the House has spoken on this, and we will appropriate the funds and the authorization with it, and for 16 years that is the way it went.

□ 1730

In appropriations we would in every Congress pass the reauthorization of ARC. The administration would oppose it, Reagan one and two and Bush one, and the House would speak in the appropriations, and the authorization would pass, until Chairman SHUSTER.

In 1998, we finally got an authorization bill through the House and through the Senate by the same 380-plus margins. But what has happened since then is the funding authorization numbers have not been matched by the appropriation numbers. A phenomenon has occurred in the last 2 fiscal years, the Appropriations Committee substituting its judgment for the judgment of the grassroots people in the Appalachian region.

This is a unique process by which people come to approval of projects. It starts at the county level, starts with the regional development commission, starts with the mayor, council. The business people meet, decide what their needs are, make recommendations. It is approved by the development district organization. It then goes to the State and then goes to the Commission, and the Commission then approves the projects and then the budget comes to the Congress.

Then the Appropriations Committee, in the last 2 years, has said, oh, you know, forget about that; we have our own priorities and we are going to designate money. But their designations dilute the funding for the other States. There are three States. Ohio doubled its share, 113 percent increase of ARC funding; West Virginia, 31 percent increase; North Carolina increase, 14 percent. What does that mean for the rest of the States? That means Alabama is down 20 percent, Georgia is down 19.6, Kentucky is down a percent and a half; Maryland is down 20 percent. I will put these all in the RECORD at this point and not go through every one of them because we are dealing with a closed circle.

To pay for these earmarks, most of the other 10 ARC States' formula funds are cut by 20 percent: Alabama, −20.4 percent; Georgia, −19.6 percent; Kentucky, −1.5 percent; Maryland, −20.3 percent; Mississippi, −21.1 percent; New York, −19.5 percent; Pennsylvania, −20.0 percent; South Carolina, −20.5 percent; Tennessee, −20.5 percent; and Virginia, −19.1 percent.

What does that mean to those who participate and believe in the grassroots process, that government starts from the bottom up, not from the top down? It means we disrespect your judgment. We are substituting our judgment just because we, one or another person, happens to be in an Appropriations Committee that can substitute its judgment for the grassroots.

It has been discouraging. I have talked to the development districts, and so when we fashioned our bill in the House, and in our committee, to reauthorize ARC, page 10 of the bill that was introduced in July, July 17, that the gentleman from Pennsylvania cosponsored, Chairman YOUNG cosponsored, I will not go through all the others, section 4, subsection (b), allocation of funds: Funds approved by the Commission for a project in an Appalachian State pursuant to congressional direction shall be derived from such State's portion of the Commission's allocation of appropriated amounts among the States.

That is the anti-earmarking. That respects the grassroots process. That is the bill that we introduced but it was not reported from committee. It should have been. We could have done this in July. We could have had a bill pass through the House practically on unanimous consent, or had a recorded vote that had been 400-plus to zero, but instead we waited for the Senate to pass a bill. The Senate dropped that language.

In the suspension process, we do not have an opportunity to offer to reinstate the House language, to stand up for the House position. That is why I come with a heavy heart to oppose this bill because it is the wrong process, because it guts the House provision, because it takes away the opportunity for all States to participate equally.

Now, the chairman of the subcommittee, I have to respectfully disagree, the program is not going to run out in 10 days. The Appropriations Committee has included in its appropriation a continuation of the authorization, as we have done for 16 years, and will continue the authorization through the appropriation process, but it will not be as valuable as if we include the House language to stop the raid on the other States within the Appalachian region.

We are not talking hundreds of millions of dollars, or billions, as we are in the transportation bill. We are talking $65 million for fiscal year 2006 and $26 million in formula funds for the coming fiscal year and $35 million total. So out of that $26 million in formula funds, $9.3 million have been earmarked. That means other States get proportionally less money than those who are fortunate to have someone on the Appropriations Committee take care of them. That is not right.

What is this, a week ago this body passed an anti-earmarking bill as rules for the House. We did even better. We are not saying list who they are for. We are saying do not do it in this particular program. That is what offends me. Process means respect for the system. Process guarantees, or should, integrity.

I am saying we ought to restore integrity. We ought to send this bill back to the Senate and have a real negotiation and do the right thing for the rest of the Appalachian States.

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

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

The gentleman from Minnesota, I appreciate the fact that he loves ARC, but more importantly to me, the gentleman's passion for ARC is most impressive, especially noting that he does not hail from the Appalachian region, which I do, and the people of the Appalachian region that I hail from. Small towns like Hymen, Pennsylvania, and Salisbury, and counties like Fayette and Huntington County, they have seen the good works of the Appalachian Regional Commission, and we do not want to lose that.

I am not so bold to try to explain to the gentleman the legislative process. He knows far better than most in this Chamber that we have been able to, in the Senate bill, get some significant provisions in there that we wanted authorizing as an at-risk category, which is extremely important to counties all throughout the Appalachian region, increasing the authorization funding amounts in this bill.

So the gentleman knows those provisions are in there, and as I said earlier, if we do not act in 10 days, this will sunset. This will terminate. It will end and we may lose it forever, which I am not willing to take that risk. I do not believe that the Senate is going to pass that appropriations bill in 10 days, and as I said, as I read the legislation, it will sunset. It will terminate.

I would encourage Members to look at that fact, and I am willing to work with the gentleman to move forward, because I do understand your concerns about earmarking. And I want to remind Members of this Chamber, there are no earmarks in this reauthorization. This bill is going to move forward and make sure that the ARC survives for another 5 years and can continue to do the great work that it has done in the 13 States in that region.

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

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume to just add to the discussion that I do not think government will come to a halt in 10 days. The House will pass a continuing resolution so that we can get through October, come back after election on November 13, and take up these appropriation bills. The Appalachian Regional Commission will continue.

Quite right, the gentleman has stood firmly against earmarking in the authorization process, but it is in the appropriation. It is where the money is delivered where the evil occurs, if you will, and in this context, this is not a bill to be tinkering with with earmarks when there is so clearly a grassroots process that is fair and equitable and has input from the people whose lives and livelihoods are affected.

It goes all the way up through the top, and when it gets up here say, oh, sorry, you do not count; your judgment is not of value. To take nearly a third of the money, a limited amount of funds in the appropriation process, and designate it for projects and thereby diminish the amount the other States get, that is not right. It is just simply not right.

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

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

Once again, I understand the gentleman's concern, and I would suggest that we take care of this earmarking problem in the appropriations process. I know that the Senate bill has language in their appropriations bills that deal with this, and I think that is the appropriate place to do it.

Again, I have great concern if we do not reauthorize this and get it to the President's desk that we, in fact, could sunset and terminate this program. That is something that I am not willing to take the risk on.

Once again, I appreciate the gentleman's support for ARC, his passion for ARC. I want to remind my colleagues that there are no earmarks in this reauthorization bill and that I would encourage my colleagues to vote to continue ARC, the Appalachian Regional Commission's positive impact that it has had, extremely positive impact it has had on our region of the country that needs it.

Mr. RAHALL. Mr. Speaker, today the House plans to take up the reauthorization of the Appalachian Regional Commission. Every one of the southern West Virginia counties I represent is encompassed by the Appalachian Regional Commission and ARC support is critical to our communities' livelihood and well-being.

It is ARC's ability to serve its mission by adapting it actions to fit the times that makes ARC such an invaluable resource to Appalachia and the Nation. From the Appalachian Development Highway System to e-commerce and broadband initiatives, ARC continues to serve its mission by advocating and partnering with the people of Appalachia to create opportunities for self-sustaining economic development and improved quality of life.

For these reasons, among others, I will support the legislation before us today to reauthorize ARC. However, I do so with reservations.

For most of the past 41 years of ARC existence, its program has been free of congressional earmarks. Congress has appropriated funds to ARC and ARC, through a formula based largely on need, has apportioned Federal money to the States.

In fiscal year 2006 and fiscal year 2007, we have seen significant earmarking of the ARC account. Indeed, my home State of West Virginia has received a number of these earmarks.

Why is this? In most instances Members have not requested these funds come from ARC formula funds. However, committee leadership has been forced into this practice of feeding on our own. Why? Because the priorities of Congress have shifted from Middle America to the Middle East.

Our appropriators are faced with this dilemma because the $8 billion per month spent in Iraq precludes us from investing in needed infrastructure here at home. I've said many times that dollars for Baghdad would be better spend in Beckley—Beckley, WV.

While one of the funded projects has benefited many southern West Virginians directly by providing much needed water and wastewater assistance, I believe it is important we refrain from earmarking the very scarce resources allocated to ARC and, if earmarking the ARC account continues, Congress should require that congressional earmarks are derived from that State's formula allocation of ARC funds.

I believe adopting such a provision will benefit all ARC member States and the long-term viability of ARC itself.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. SHUSTER) that the House suspend the rules and pass the Senate bill, S. 2832.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OBERSTAR. 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. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

REPEAL OF PROHIBITION ON USE OF CERTAIN FUNDS FOR TUNNELING IN CERTAIN AREAS WITH RESPECT TO LOS ANGELES TO SAN FERNANDO VALLEY METRO RAIL PROJECT

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4653) to repeal a prohibition on the use of certain funds for tunneling in certain areas with respect to the Los Angeles to San Fernando Valley Metro Rail project, California.

The Clerk read as follows:

H.R. 4653

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

SECTION 1. REPEAL OF PROHIBITION.

The second sentence of section 321 of the Department of Transportation and Related Agencies Appropriations Act, 1986 (99 Stat. 1287) is repealed.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

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

H.R. 4653 repeals a 20-year-old prohibition on the use of certain Federal transit funds to tunnel in the San Fernando Valley area west of Los Angeles.

In 1985, an explosion of naturally occurring methane gas blew up a department store in the Wilshire Boulevard