

CBO expects that agency assistance in this area would not increase significantly.

Provisions with Estimated Savings. CBO estimates that requiring certain PNPs to apply to the SBA for a disaster loan before receiving funds from the disaster relief fund would yield savings of approximately \$4 million per year from 2000 through 2004. The savings would result because the government would, in some cases, be providing loans instead of grants to these institutions. CBO estimates that about 115 PNPs would receive SBA loans instead of disaster relief grants, resulting in additional loans totaling about \$5 million. The estimated savings is the difference between the reduction in FEMA assistance and SBA's subsidy cost for the new loans.

Based on data and information provided by FEMA, CBO estimates that allowing FEMA to use the estimated cost of repairing or replacing a facility, rather than the actual cost, to provide assistance to state and local governments would result in administrative savings at FEMA of approximately \$46 million in fiscal year 2002 and slightly larger amounts each year thereafter. Based on information from FEMA, CBO estimates that, on average, FEMA spends between \$250 million and \$300 million a year administering the public assistance program. The estimated savings assumes that FEMA would reduce those costs by between 15 percent and 20 percent, primarily by eliminating staff and contractors. FEMA would incur some additional costs for operating the expert panel, estimating the cost of repairs with more precision, and evaluating the accuracy of estimates. Administrative savings would not occur before fiscal year 2002 because H.R. 707 would first require the President to establish an expert panel to develop procedures for estimating the cost of repairing or replacing a facility.

Allowing FEMA to substitute the estimated cost for the actual cost in providing disaster relief to state and local governments could also affect both the amount and the timing of assistance provided. Under the legislation, if the actual costs of repair are greater than 120 percent or less than 80 percent of the estimated costs, FEMA could receive compensation for overpayments or provide compensation for underpayments. The provision would not provide for adjusting assistance if the project's actual costs fall between 80 percent and 120 percent of the estimate. Thus, using an estimated cost could substantially increase or decrease the federal government's cost to repair or replace public facilities if these estimates consistently fall below or above the actual costs of such projects. Because the federal government spends well over a \$1 billion each year on such projects, a bias of 10 percent in either direction would change the annual cost of disaster relief by more than \$100 million. Because we have no basis for predicting a bias in either direction, CBO cannot estimate the net change in the cost of disaster relief projects from substituting estimates for actual costs. The effects of this provision on the timing of outlays are discussed below.

Finally, based on data provided by FEMA, CBO estimates that eliminating the community disaster loan program would result in savings of approximately \$25 million each year from 2000 through 2004.

Provisions with Effects CBO Cannot Estimate. CBO does not have sufficient basis to project potential budgetary effects of some provisions of H.R. 707 because they depend upon the extent and nature of future disasters, the manner in which the Administration would implement certain provisions, and the extent

to which states would participate in certain programs.

CBO cannot estimate the potential savings associated with the predisaster mitigation efforts proposed in this legislation. Mitigation efforts could achieve significant savings if damages from future disasters are lessened as a result of the predisaster mitigation measures provided for in the legislation, although we expect that any savings in the first five years would be small.

The legislation also would lower the amount of general assistance that FEMA can provide to state and local governments in lieu of the federal government's share of the cost to repair or replace a facility. Under current law, state and local governments can elect to receive a payment equal to 90 percent of the federal government's expected costs to repair or replace a damaged facility. H.R. 707 would lower that rate to 75 percent. While lowering the contribution rate would decrease disaster relief costs in cases where state and local governments continue to accept general assistance, it also would increase costs in those cases where states and localities choose to forgo the general assistance and seek the federal share of repair costs instead. The two effects could offset one another. Thus, while the provision has the potential for substantial savings, CBO has no basis for estimating the amount of such savings.

Finally, H.R. 707 also would require that the President establish by rule standardized reimbursement rates that should reduce FEMA's administrative burden of compensating states for indirect costs not chargeable to a specific project. Because it is uncertain how these rates would be established, CBO has no basis for estimating the amount of potential savings.

Provision Affecting the Timing of Outlays. H.R. 707 also would substantially increase the rate at which new budget authority is spent from the disaster relief fund. Under current law, funds appropriated for such assistance are often spent years later. But we expect that disbursements would occur more rapidly because of the provision allowing FEMA to provide funds for disaster relief to states and localities based on an estimate of a project's costs rather than on its actual costs. (This provision would not apply to FEMA's current balances of previously appropriated funds.) CBO estimates that this change would result in a net increase in outlays of \$1.3 billion over the 1999-2004 period, but that it would have no net effect over the 1999-2009 period. Because H.R. 707 would require the President to convene an expert panel within 18 months of enactment, this estimate assumes that this provision would not affect relief for disasters that occur before fiscal year 2002.

Direct Spending

If enacted, H.R. 707 would increase direct spending by allowing FEMA to retain and spend future proceeds from the sale of temporary housing, such as mobile homes and manufactured housing. Under current law, receipts from the sale of such properties are deposited into the general fund of the Treasury (and thus are not available for spending). According to FEMA and the General Services Administration, which conducts most sales of personal property for the federal government, since liquidating FEMA's entire inventory of temporary housing units in 1996, the federal government has sold only a handful of units. Instead of maintaining an inventory, FEMA now purchases new units to accommodate disaster victims and then either donates the unneeded units to take govern-

ments or transfers them to other federal agencies. Under current law, CBO expects that the federal government will continue to sell only a small number of units each year. Consequently, we estimate that allowing FEMA to retain and spend receipts from sales of temporary housing would, on average, increase net direct spending by less than \$500,000 a year. Any increase in offsetting receipts relative to current law would be offset by an equivalent increase in new spending.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Pay-as-you-go procedures would apply to H.R. 707 because it would allow FEMA to retain and spend any proceeds from the sale of units of temporary housing. CBO estimates that allowing the agency to retain and spend such receipts would, on average, increase direct spending by less than \$500,000 a year.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 707 contains no intergovernmental mandates as defined in UMRA and would significantly benefit the budgets of state, local, and tribal governments. The legislation would authorize the appropriation of \$80 million in 2000 to assist states in predisaster mitigation projects. If the necessary appropriations are provided, it also would increase the funds available to states for postdisaster mitigation activities by an estimated \$308 million for major disasters declared between January 1, 1997, and the end of fiscal year 1999, and by about \$92 million per year after that. In addition, beginning 18 months after enactment, the 25 percent state match for individual and family grants and certain housing assistance would no longer be required, reducing the burden on states by an estimated \$60 million per year. These benefits would be partially offset by the repeal of the community disaster loan program, which would result in a loss of about \$25 million in grants to communities each year.

Estimated impact on the private sector: The legislation would impose no new private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Costs: John R. Righter (226-2860). Impact on State, Local, and Tribal Governments: Lisa Cash Driskill (225-3220).

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

A TRIBUTE TO THE STONY BROOK HIGH SCHOOL GIRLS BASKETBALL TEAM

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 23, 1999

Mr. FORBES. Mr. Speaker, it is with great pride and emotion that I rise today in the House of Representatives to pay tribute to the girls high school basketball team from Stony Brook, on Long Island. Culminating a successful season, marked with 15 wins and 4 losses, the "Bears of Stony Brook" were crowned the "1999 Suffolk County Class D" basketball champions.

With a proud history, the girls basketball team had to overcome past disappointments,

to band together as a team and win the championship. In the previous two years, the Bears had traveled to the Suffolk County tournament only to be denied the prestigious championship. This season, led by coach Keith Singer, the girls were finally successful in their quest for the title. Their journey ended the weekend of February 20 with the overwhelming victory over Pierson High School. After receiving the number one seed in the playoffs, the Bears defeated Pierson High School, ranked second in the tournament, by a score of 61-30.

The strong 15 and 4 record is a testament to the hard work and determination of the Bears. Coach Keith Singer's leadership kept these young women poised on winning the championship. On the basketball court, the Bears were blessed with a well-balanced offensive team. Senior Rebecca Fischer led the Bears offense by scoring 18 points, and adding 14 rebounds. Fellow senior, Sara Kiernan, further contributed to the bears success with 13 points. The team's success would not have occurred without their determination and teamwork.

The Bears' success is also attributed to their dominating defensive style. The team has frustrated numerous teams with their suffocating defensive play. Led by senior Sara Kiernan, who amassed five steals, the Bears put together a stringent zone defense. The success of their defense is most easily seen in their domination of rival Pierson. In the final, the Bears' defense devastated Pierson. In the first period, Pierson was held to a mere 7 points. Overall, Pierson was only able to score 30 points against the Bears, despite being ranked second in the County.

The work ethic and determined spirit of this high school basketball team are a true reflection of my Congressional District. The entire community is filled with pride for these young women, who have worked so hard and sacrificed so much to reach their goal. So I ask my colleagues in the U.S. House of Representatives to join me and all my neighbors in saluting the Stony Brook Bears, the "1999 Suffolk County Class D" girls high school basketball champions.

PERSONAL EXPLANATION

HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 23, 1999

Mr. WICKER. Mr. Speaker, on rollcall No. 52, on House Congressional Resolution 24, Expressing Congressional Opposition to the Unilateral Declaration of a Palestinian State, I was unavailable to vote because I was returning from a bipartisan Congressional Delegation trip to Russia. The objectives of this four-day trip included meetings with the Russian Duma and other governmental officials concerning the missile defense threat as outlined in the report of the Rumsfeld Commission. Our delegation was joined in Moscow by former Secretary Don Rumsfeld and two members of his commission, Mr. Jim Woolsey and Mr. William Schneider, Jr.

Had I been present, I would have voted "yea."

EXTENSIONS OF REMARKS

FEDERAL MONEY FOR MEDICAL RESEARCH

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 23, 1999

Mrs. MALONEY of New York. Mr. Speaker, I would like to share with my colleagues a recent Op-Ed written by Dr. Arthur H. Rubenstein about the benefits federal money has produced for medical research. Dr. Rubenstein is the Dean of the Mt. Sinai School of Medicine in New York City, one of New York City's and the country's premiere teaching hospitals.

MORE AID MEANS MORE RESPONSIBILITY— FEDERAL MONEY PUTS MEDICAL RESEARCH ON THE THRESHOLD OF A GOLDEN AGE

(By Arthur H. Rubenstein)

NEW YORK.—Congress has now approved billions of dollars in research money to complete the elements of what could be the Golden Age of Medical Research.

We now have scientific excellence, outstanding technology, public support and greatly increased funding aligned to make possible a quantum leap forward in our search for better treatments, prevention and hopefully cures of some of the most dreaded diseases on earth.

But as we celebrate this unique opportunity, scientists and physician researchers must understand that with it comes a new, and perhaps higher, level of responsibility. If we ignore this responsibility, we risk losing this newly won support.

A combination of forces has brought us to this unique opportunity.

The media continues to follow the rapid pace of scientific breakthroughs and gives medical news front page status.

The public, particularly patients and their families, clamor for life saving and life prolonging treatments.

In addition, many recent discoveries are now being applied in actual practice. Leading lawmakers in Congress took particular notice of these forces during the last congressional session. Realizing that a big boost in funding could capitalize on the intensifying scientific knowledge of the past decade, thoughtful lawmakers brought about a \$2 billion increase in the NIH budget.

As a physician and a Dean of a major medical school, I am elated over this opportunity. During my lifetime, basic science has advanced and accelerated so rapidly that we are on the verge of unprecedented discoveries. Just 45 years after the discovery of the structure of DNA, we are on the road to examining how tens of thousands of genes function.

That will be the key to understanding how many diseases occur. And that is the shaft of light that can lead us to curing or controlling the disease.

We will look back on these years with the same awe as was felt for the wondrous age after Newton discovered the Laws of Motion or Einstein discovered the Laws of Relativity.

However, if I put my own scientific excitement to the side for a moment and focus on my role as the leader of an entity which depends heavily on research funding, I must also offer a cautious warning about this great rush forward.

All over the country, in clinical and research laboratories, the scramble is on to

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garner a share of this new funding. This competition is healthy and will lead to better science. My own school will compete as hard as the next.

The National Institutes of Health (NIH), though, faces a formidable challenge to allocate money to research laboratories. Clearly, the funds must be spent in a wise and responsible manner.

But which scientists working on what diseases will get an infusion of money to throw their research into high gear or get it off the ground? How much "politics" must be considered? What markers will be laid out to show if the money was wasted or well spent? I don't envy the NIH at all!

The Institute of Medicine recommends the public be given a strong say in this process and that a public advisory board be created. Those are excellent and appropriate ideas.

The funding decisions must not be solely made in meetings amongst administrators and scientists.

To maintain public support, the scientific community must make the public a greater part of the discussion of what could be literally life and death decisions for generations to come.

But we, as scientists and leaders of the academic community, must also be mindful that our individual and collective actions are appropriately facing a higher level of scrutiny than ever before. We must embrace this examination, respond appropriately, or else face great peril.

We have an obligation to find ways to share our work with the lay public, to do our best to make it intelligible to non scientists. We have an obligation to be cautious with our pronouncements of progress.

As exciting as incremental progress is to the scientist, its reality, that it is progress but not yet a cure, can be exceptionally cruel to the human being looking for solace. We have an obligation to shun fleeting fame when it is premature, and fortune when its potential jeopardizes the credibility of our work.

Science is tantalizingly close to so many discoveries! To me, it is simply breathtaking to even begin to comprehend that within five to ten years we may—I underscore "may"—have the understanding to cure or prevent various infectious diseases, mental illnesses, birth defects, and would be killers like heart disease, cancer, AIDS, and diabetes.

If the medical and research communities are perceived as not using public funding wisely or let false optimism blind us to the often unpredictable nature of scientific exploration, we will have failed in a monumental and tragic manner.

Besides the discoveries lost or delayed, and the lives that would be affected, there could be a public backlash against those who failed to act responsibly.

The Golden Age of Medical Research then would be replaced by an era of suspicion and skepticism about science's ability to improve life.

IN MEMORY OF JAMES E. CADDO

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 23, 1999

Mr. SKELTON. Mr. Speaker, it has come to my attention that James E. Caddo of Lexington, MO, passed away on February 4, 1999.

Born November 27, 1936 in Lexington, MO, the son of Henry and Minnie Margaret