The recess having expired, the House was called to order by the Speaker pro tempore (Mr. Dreier) at 4 o'clock and 9 minutes p.m.

Mr. WALSCH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the H.R. 4635 and that I may include tabular and extraneous material therein.

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

There was no objection.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 525 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4635.

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. 4635) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2001, and for other purposes, with Mr. PEASE in the chair.

The Clerk reads the title of the bill.

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

Under the rule, the gentleman from New York (Mr. WALSCH) and the gentleman from West Virginia (Mr. MOLLORAN) each will control 30 minutes.

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

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

Mr. Chairman, it is my pleasure to bring before the full House of Representatives the bill, H.R. 4635, making fiscal year 2001 appropriations for the Departments of Veterans Affairs, Housing and Urban Development and independent agencies. So that we can move quickly, I will keep my comments brief.

First, let me just thank the distinguished gentleman from West Virginia (Mr. MOLLORAN) for his advice and counsel throughout this discussion. Even though we have different political persuasions, I think we share almost all of the same priorities in this bill, which makes it, as one might imagine, much less difficult to bring a bill to the floor.

We do not agree on everything obviously, but I think in most cases we do. So we have enjoyed the benefit of his advice and the staffs have worked very closely together. The subcommittee and the full committee worked very hard to bring this bill out.

Like most of the appropriations subcommittees, we were given a very tight 302(b) allocation. Nevertheless, we were able to make what I think are good policy and funding choices to produce a good, fair bill that deserves support.

Here are some of the highlights: this bill fully funds veterans medical care with a $1.355 billion increase over last year's record level. Last year, we increased it $1.7 billion, $1.355 billion this year for a total of over $3 billion increase in 2 years. I think that shows how important this subcommittee, this full committee, and the House take our commitments to veterans. It provides full funding for medical research, major construction, and cemetery administration operations.

Just as important, we have begun an effort to conduct better oversight of how much medical care funding goes for medical care, per se, and how much goes to maintaining buildings and facilities. All veterans, no matter where they are located, deserve the best facilities that we can offer.

We have also included language to make sure that veterans medical receipts stay within the VA system and do not go to the Treasury as was suggested by the Administration.

Expanding section 8 contracts at HUD, we have included language to push the Department to do a better, faster job of getting funds out of Washington to the people who need them most. HUD's record in this regard is not one to be proud of. We had 247,000 section 8 vouchers go begging last year because HUD did not get the job done. So we have accounted for that and still have fully funded the section 8 requirements.

We have essentially level funded the Community Development Block Grant entitlements, trimming them by less than 1 percent. We have level funded or only slightly reduced most other HUD programs, making sure that HUD was not using the bank to pay for other programs as it did last year.

AmeriCorps has been zeroed out. I am sure that will be a topic for discussion in conference and in consultation with the White House. In this bill, there is no funding.

EPA's operating programs have been level funded while various State grant programs, which assist the States in implementing Federal laws, have been more than fully funded. The Clean Water State Revolving Fund program, gutted in the President's budget request, has been restored to $1.2 billion.

The fiscal committee is part of Congress to support cleaner water and to improve the environment of this country, an area where I think the Administration is sorely lacking, while State and local air grants from section 319, non-point source pollution grants have been increased significantly.

Perhaps most important, we have proposed $245 million, more than double last year's level and $85 million more than the Administration's request, for section 106 pollution control grants. These grants offer the States the maximum flexibility to deal with the difficult TMDL issues facing the States.

To help the States deal with the MTBE problems caused by leaking underground storage tank facilities, that is a gasoline additive that has recently been banned by the EPA, we have upped the account at EPA by $9 million over last year and $7 million over the budget request.

CDFI, one of the President's new programs, has been proposed for an increase over last year's funding level. They are doing a good job. They deserve our support; we provided it.

Like most of the appropriations subcommittees, we were given a very tight 302(b) allocation. Nevertheless, we were able to make what I think are good policy and funding choices to produce a good, fair bill that deserves support.

The National Science Foundation has received an increase of $167 million over last year's level, a $5 billion over $4 billion, their largest funding level ever.

Similarly, NASA received an increase over last year of $113 million, the first increase in several years. Mr. Chairman, there is one point regarding this bill that really needs to be made. I stated at the outset that we faced a tight allocation. Nevertheless, there is some talk circulating that this bill received an allocation that is nearly $5 billion above last year. I would like to try to set the record straight. The reality is that our new allocation is $78 billion in new budget authority. The reality is that CBO's freeze level for this budget was $76.9 billion. We have, therefore, a net increase of just $1.1 billion over last year.

I hasten to add that that increase has been totally absorbed by VA medical care, $1.355 billion over last year, a Section 8 housing increase of nearly $2 billion, and increases provided for National Science Foundation and NASA over last year's level. Nearly every other program in this bill was either level funded or reduced slightly so that we could meet these necessary increases and still stay within our allocation.
I have to say that it would be very difficult to get this bill this far without the support and assistance of my ranking member, Mr. Mollohan, and the rest of this hard-working subcommittee and our staffs, and we have wonderful staffs. While we do not always agree on every issue, every effort has been made on both sides to continue the subcommittee's strong history of bipartisan cooperation in the crafting of this bill. I truly appreciate the gentleman's help and close working relationship.

Mr. Chairman, in a nutshell, this is the fiscal year 2001 VA-HUD and Independent Agencies bill. It is a good fair bill, with solid policy direction, while staying completely within our budget authority and outlay allocations. I strongly encourage the support of this bill, with solid policy direction, while dependent Agencies bill. It is a good fair relationship.

The chairman is to be commended for the effort of crafting this bill. I truly appreciate the chairman's help with the current form, I applaud him for doing the right thing for veterans medical care, providing a $1.3 billion increase for providing a $2 billion increase to fully fund renewal of Section 8 housing contracts. But beyond these two large increases in the bill, the numbers before the committee tell a story of missed opportunities.

We certainly appreciate the chairman's courtesy, we appreciate his listening to our concerns as the bill has been marked up, but because of the allocation that he has been given, he has, I think, and the bill reflects, missed a lot of opportunities.

Instead of expanding even slightly our support for public service by young people through AmeriCorps, this bill has a surplus that program out totally, a move that would almost certainly lead to a presidential veto.

Instead of providing the support the President requested for basic research at the National Science Foundation, the bill provides $508 million less than that requested by the President for the National Science Foundation.

Instead of providing the amount requested for NASA's science and technology, the bill falls short by $223 million. In doing so, the bill abruptly terminates research and development on the next generation of reusable launch vehicles that would replace the space shuttle and reduce the cost of access to space.

Instead of doing a bit more to help solve the crisis of affordable housing, the bill provides essentially no expansion of Federal housing assistance and actually cuts key programs like Community Development Block Grants and public housing below the current year level.

And instead of providing the amounts for FEMA that the administration calculates would be needed even for an average year of hurricanes, floods and tornadoes, the bill provides only $300 million of the $2.9 billion requested. As a result, it jeopardizes FEMA's ability to respond quickly and adequately to natural disasters.

The best that can be said is that this plan spreads the pain more or less equally, except of course for AmeriCorps, which this bill totally zeros. But when I examine the funding levels in the chairman's mark, I have to ask myself why are we not providing more resources for medical research at the Veterans Administration or for construction of State-need extended-care facilities for veterans? Why are we not doing more to expand the supply of affordable housing and helping our Nation's homeless? Why are we not doing more for environmental restoration and protection? And why are we not doing more to explore space and perform the basic scientific research that is directly responsible for our current economic boom?

We have the largest budget surplus in decades, a surplus that keeps growing with every estimate. Yet rather than using part of that surplus to better meet our national needs, the majority leadership has decided, instead, to reserve it; to reserve it for large tax cuts targeted at upper income levels that many will never be enacted. That approach was wrong last year, and it is wrong now.

Once again the Congress is being put through an exercise. The appropriation subcommittee chairmen are being given unreasonably low allocations and are being told to write bills accordingly, which they reluctantly do. By the time these bills are signed into law, however, we end up with something so markedly different that it beggars the question of why we go through this exercise at all.

I want to be clear about this. I believe the gentleman from New York has done the very best job he could do with what he was given. However, I reject the notion that this is the best we as a Congress can do.

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This bill, through no fault of the chairman, is a series of missed opportunities, missed opportunities to improve our nation's crumbling infrastructure, which virtually almost every community in this country either needs improvement in or need water and sewer infrastructure to begin with; missed opportunities to assist people of modest means to afford decent housing; missed opportunities to improve our nation's leadership in science and technology, and the list goes on and on, Mr. Chairman. If we do not take these opportunities now, at a time when we are experiencing the best economy in a generation, when will we?

During full committee markup, we on this side of the aisle offered several amendments in an attempt to add funds in a few critical areas. Unfortunately, all of those amendments were defeated, some by razor thin one-vote margins. We will attempt to do the same today and tomorrow as the full House considers this legislation.

No matter what happens, Mr. Chairman, with these amendments, I believe we could move forward. It is also important that Members understand that, although this bill on its face appears to meet many pro-amendment needs, it falls short in one very significant area: meeting the priorities of individual Members. If the chairman has been approached by as many Members as I have, it is clear that great needs are going unmet. This bill must receive additional resources before the chairman will be able to address the interests of Members.

The good news is that by the time the process is complete, I expect to see something markedly different than what we have before us today. I certainly hope so, Mr. Chairman. At that time I sincerely hope, and I hope that the chairman shares that hope, that such a bill will reflect the needs of our Nation and of our Members. This Congress has the means to provide health care to our veterans, to assist our elderly and less fortunate in securing decent housing, and to make the critical investments in research and technology that have fueled the largest economic expansion in history. When we do that, we will have a bill that everyone can support.

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

Mr. Mollohan. Mr. Chairman, I yield myself such times as I may consume.

Mr. Chairman, as I did during our committee markup, I want to begin by expressing my appreciation to the chairman of the subcommittee, the gentleman from New York (Mr. Wals), and to his staff for their courtesy in dealing with our side of the aisle during this process. Although I do not think this bill is adequate in its current form, I applaud him for doing his best with the hand that he was dealt.

The chairman is to be commended for doing the right thing for veterans medical care, providing a $1.3 billion increase and for providing a $2 billion increase to fully fund renewal of Section 8 housing contracts. But beyond these two large increases in the bill, the numbers before the committee tell a story of missed opportunities.

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

Mr. Walsh. Mr. Chairman, I yield 6 minutes to the gentleman from New Jersey (Mr. Frelinghuysen), a member of the subcommittee.

Mr. Frelinghuysen. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the VA–HUD appropriations bill.

Under the leadership of the gentleman from New York (Mr. Walsh), and our ranking member, the gentleman from West Virginia (Mr. Mollohan), our subcommittee has produced an excellent bill. I compliment them both. I also compliment the chairman for re-creating our hearing process to actually get answers to serious housing, environmental, scientific and medical questions that fall within the purview of HUD, the EPA, the National
Science Foundation and NASA, and the Department of Veterans Affairs, among a number of Federal agencies under our committee's jurisdiction.

Our subcommittee chair has faced a difficult task in balancing so many national and regional priorities within a limited budget allocation. This bill contains $76.4 billion in discretionary funds, $4.9 billion above last year's level. However, the Congressional Budget Office estimates that $76.9 billion is needed in fiscal year 2000 just to fund a freeze from last year.

That said, the chairman has done a good job of keeping our heads above water while living within our means. The Department of Housing and Urban Development, one of the largest Federal departments, with over 10,400 employees, receives an increase of $4 billion over last year. Virtually all of this increase goes to fully fund section 8 renewals and tenant protections, which are important. Level funded is section 202 housing for the elderly and section 811 housing for individuals with disabilities, public housing operating subsidies, homeless assistance grants, and Housing Opportunities for Persons with AIDS, known as HOPA.

This committee has been especially interested in acting on behalf of housing for people with disabilities. For the past 4 years, this committee has created a section 8 disabilities set-aside to earmark some of those funds to help individuals with disabilities find suitable housing. This year, for the first time, the President finally agreed with our committee on the importance of this particular disabilities set-aside. Our bill contains the $25 million to fund the President's long overdue request for this purpose.

Also, under HUD, this bill contains language mandating that 75 percent of the section 811 disabled housing program funds be spent on new construction. There is simply an insufficient supply of housing available for individuals with disabilities; therefore, we need to emphasize housing production over rental assistance. We reject the administration's proposal to drop the mix to 50-50, and this bill insists that 75 percent of the funds go towards building new housing units.

The Environmental Protection Agency is about the administration's budget request of $7.2 billion. Nevertheless, the clean water State revolving funds are increased by $400 million over the President's level, for a total of $7.1 billion level. However, the Congressional Budget Office estimates that $76.9 billion is needed in fiscal year 2000 just to fund a freeze from last year.

As a Member of Congress, I have the dubious distinction of having more of these sites on a national priority list in my congressional district than any other. I am glad today that this program continues to emphasize remediation rather than litigation, cleanups instead of costly, protracted lawsuits.

The EPA section of this bill also seeks to address the serious problems which we have discussed in our public hearing caused by the use of the gasoline additive known as MTBE.

During our hearings in March with EPA Administrator Carol Browner, I raised the growing problems associated with this gasoline additive. While MTBE is used in an effort to reduce fuel emissions and meet Federal clean air standards, the EPA was well aware early on it had begun to contaminate water supplies throughout the country. California has at least 10,000 contaminated sites, New York 1,500, New Jersey nearly 500, and many communities in my district are affected adversely.

As a result of our March hearing, Administrator Browner finally took steps to phase out the use of MTBE. This bill builds upon that decision by providing $9 million for efforts to correct leaking underground storage tank problems associated with this additive.

Further, this bill reinforces the commitment of this committee and Congress to scientific research. I am referring particularly to the National Science Foundation, which marks our 50th anniversary this year. It is funded at a record $4.1 billion. This is an increase of $167 million, or a 4.3 percent increase, over last year.

It is also the first time funds for this agency have topped the $4-billion level, with only a small portion to Federal spending. This agency has been a powerful positive effect or change in terms of national science and engineering in every State and institution of higher learning. Every dollar invested in the NSF returns many fold its worth in economic growth.

I support this budget. I support the NSF. And I support the work of the committee.

Mr. MOLLOHAN. Mr. Chairman, I am pleased to yield 6 minutes to the gentleman from Wisconsin (Mr. OBEY), the distinguished ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Chairman, this bill is a debate or part of the debate about our national priorities and our national values and it helps decide where we are going to put first in this society.

This Congress has committed itself to pass a large number of very large tax cuts, and most of those tax cuts are aimed at the most well-off people in our society. The wealthiest 2 percent get the huge percentage of those tax cuts. And our ability to afford those tax cuts is based on the assumption by the majority that over the next few years we will cut $125 billion below current services, below existing purchasing power levels, a whole host of programs: education programs, health programs, housing programs, land acquisition programs, science programs, all the rest.

That is really what this debate is all about. Because this is one of the appropriation bills that is cut by a large amount below the President's budget in order to pretend that we can squeeze out enough room for those huge tax cuts aimed at the most well-off people in this society, and I do not believe we ought to do that.

I think we need to look at this budget in terms of what we need 10 years from now because this is a growing society, it is a growing population. We all have growing needs, we are going to have more people who need housing, we are going to have more people in high schools, we are going to have more people in college, we are going to have more needs, and these bills are not responding to them.

Some examples of that lack of response are as follows: As has been indicated, the distinguished chairman has done the best he can given the budget ceiling which was assigned to his subcommittee and this bill does contain a welcome $1.35 billion increase for veterans' medical care. It is about time that both parties get off their duff on that. But it fails to adequately provide for several other priorities for veterans, it does freeze funds for veterans' medical and prosthetic research. It cuts grants for construction of State veterans homes one-third below current year levels and does some other things that we are not happy about. It needlessly creates a political confrontation with the President by terminating the Corporation for National and Community Service, including the AmeriCorps program. Everyone on this floor knows the President is not going to sign a bill with that provision.

For housing, it appropriates no funds for the 120,000 new housing assistance vouchers proposed by the administration. It cuts Community Development Block Grants $276 million below the current year level and $385 million below the President's request. It freezes funding for homeless assistance. It provides a number of other cuts on the environmental front and on the NASA front.

I also believe the most serious cut of all in terms of our long-term economic health is what this bill does to the National Science Foundation because it falls short of the President's
request by $508 billion. And I think it is essential to understand that the National Science Foundation does much of the research and development work which all our other technological and medical progress is based.

We have had economists estimate that at least half of our economic productivity in the past 50 years can be attributed to technological innovation and the science that has supported that innovation. And yet, this bill is a giant missed opportunity because it cuts the President’s budget with respect to that program.

It falls $508 million below the President’s request. And then, in addition, it takes actions which, in concert with other actions taken by other subcommittees, slowly but surely fences in the Justice Department so that neither they nor any other agency of Government can mount an effective lawsuit against the tobacco companies for lying through their teeth to the American people for the past 40 years about whether or not their product caused cancer. And so, the Government has shelled out billions of dollars in Medicare, in veterans’ health costs to deal with health consequences of that product and the lying selling of that product to the American people. And I think that needs to be corrected.

So these are a number of reasons why, although I have profound respect for the gentleman from New York (Mr. WALSH) and consider him to be one of the finest people in this institution, I cannot support the work product that he covers an array of diverse agencies ranging from the Veterans Administration to the EPA. And there is a lot of distance in between. It is not an easy task to bring this wide range of interest into a single bill. However, the gentleman from New York (Chairman WALSH) and the gentleman from New York (Mr. MOLLOY), the ranking member, have a working relationship that I think makes this task all possible.

H.R. 4635 is a good bill and keeps us within the budget resolution. I would point out that the product before us contains, as undoubtedly has been commented on, no Member earmarks. In this respect, it is eminently fair because there are no winners or losers.

The fiscal year 2001 VA–HUD bill is a fair piece of legislation produced under very difficult circumstances and is within, again, the budget resolution. It responsibly provides a $1.3-billion increase for veterans’ medical health care, fully funds section 8 housing, and provides sound investments in research-intensive agencies, such as NASA and, as the gentleman from New Jersey (Mr. PERSHING) just mentioned, the National Science Foundation.

As this process moves forward, there will be plenty of opportunities for Members to offer their suggestions and amendments before the President finally signs the bill. I would implore my colleagues not to let perfection be the enemy of good. This is a good and responsible bill, and I encourage all my colleagues to support it.

Again, the gentleman from New York (Chairman WALSH) is to be saluted for crafting this piece of legislation under these circumstances. He has worked in good faith with the ranking member on the other side in a bipartisan spirit to form a bill that the House has now before it.

My colleagues, this is a fair bill and there will be time to strengthen it further as the process moves along. So I urge its support.

Mr. MOLLOY. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Chairman, I thank the ranking member for yielding me the time.

Mr. Chairman, I speak today on one part of the bill before us, title I, the bill funding the Department of Administration, and I speak as ranking member of the Subcommittee on Benefits of the Committee on Veterans’ Affairs in this House.

Now, all of us on this side of the aisle have spoken of our deep respect for the chair, the gentleman from New York (Mr. WALSH), but we also have taken issue with the sense that we are doing all we can do in this bill, in this case for our Nation’s veterans.

The gentleman from New York (Mr. WALSH) talks in a passive sense that we have been allocated a number. This is an active decision by this House to allocate certain figures, and this House and the President do what it will with regard to the budget.

As the gentleman from Wisconsin (Mr. Obey) has pointed out, we have spoken about our priorities. This budget ranks veterans’ affairs, I am afraid, very low in the priorities.

The chair said that this is fully funded. And yet, we are falling behind our commitment to our Nation’s veterans. Mr. Speaker. We have asked our veterans to sacrifice in war. When we had deficits, we asked our veterans to take cuts because we had to share the sacrifice of cutting those deficits. But now that we have surpluses, it is my hope, upon those commitments and start fulfilling those commitments.

Many of our national cemeteries are a national disgrace. The waiting list for our veterans to see medical specialists go months and months and months to get adjudicated. Their benefits claims may take years. This is not a good and responsible budget. We are falling behind, Mr. Speaker, on medical research for veterans. We are falling behind on our commitment to fund our State veterans’ homes. We are falling behind on providing educational benefits to those veterans.

The Montgomery GI bill is almost worthless in terms of its spending power in today’s market.

I am going to submit amendments. Mr. Chairman, to cover some of these shortcomings, but I want to speak on a couple now. We are not adequately meeting the benefit and health care needs of veterans who served in the Gulf War and who now suffer from various diagnosed and undiagnosed disabilities. It has been almost 10 years.

Mr. Chairman, since the men and women of our Armed Forces were sent to the gulf, yet they do not know what caused their illness, and we have no treatment for it. We must not relax our efforts to fund necessary and appropriate research. This budget does virtually nothing for those veterans.

I speak today, Mr. Chairman, on behalf of the Independent Budget, a budget that was propounded by a coalition of all the veterans organizations in this Nation. It is a responsible, professional budget. They show that this budget falls behind on our commitment by a minimum of $1.5 billion. It points out that as our veteran population ages, the need for long-term care increases.

One means of providing that is through our funding of State veterans homes. In fact, a new home just opened in my congressional district; and already...
Mr. Chairman, our Nation’s veterans require an educational benefit that will actually allow them to attend college. I will propose such an amendment when the time comes. We have fallen behind on trying to deal with our homeless veterans. Thirty to 40 percent of those on the street are veterans. This is no way to treat those who served for us. We should increase that. This budget does not.

Finally, Mr. Chairman, we have a group of people in this Nation who served during World War II and were drafted into Armed Forces, Filipino veterans who helped us win the war in the Pacific. They are in their 70s and 80s. We need to provide them the health care that was taken away by this Congress more than 50 years ago. $30 million is required to provide this health care. I will submit an amendment to do just that.

Mr. Chairman, we are falling farther and farther behind with this budget. It is time to reexamine our priorities. It is time to recognize the heroism and sacrifice of our Nation’s veterans. Let us truly fully fund this budget. Let us truly make this a good and responsible budget. Let us do better for our Nation’s veteran.

Mr. WALSH, Mr. Chairman, I yield myself such time as I may consume just to discuss some of the issues that were just raised.

I will be brief. I am not going to fight every battle and counter every argument, but I do think it needs to be said that we are not falling behind. We are not falling behind in our commitments to our veterans. In fact, the strides that have been made in the last 2 years, $1.7 billion last year, almost $1.4 billion this year, that is over a $3 billion commitment in a $20 billion health care allocation. That is a profound commitment to our veterans. I do not believe any Congress in the recent or distant past has made that sort of commitment. I strongly disagree with the gentleman’s statement that we are falling behind. If anything, we are quickly catching up if not pulling ahead. But to say we are falling behind, I think, gives grist for the mill for those who are saying we are not keeping our commitments to the veteran. I strongly disagree.

On the issue of the G.I. Bill, those benefits are mandatory. The gentleman sits on the committee of authorization. That is where that issue belongs. That is in the committee of authorizations. Those are mandatory benefits, not within our purview to determine allocation of funds. It is mandatory.

Lastly, the GAO study says that the Veterans Administration is wasting $1 million a day through poor administration. That is over $300 million a year wasted. We cannot afford to have that waste continue. Clearly, this Congress can do better; but the administration can too.

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

Mr. MOLLOHAN, Mr. Chairman, I yield 4 minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

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

Mr. Chairman, I believe the gentleman from New York (Mr. WALSH) has done a fine job with the resources he has available and certainly the gentleman from West Virginia (Mr. MOLLOHAN) and the gentleman from Wisconsin (Mr. O’BRYEN), our ranking members for veterans in our country that he can’t bring this bill to the floor; but it is not a good bill. I just want to reiterate what I have said over and over again as a part of the Committee on Appropriations. The budget is woefully under-funded. The key is when America can to bring this bill to the floor; but it is not a good bill. I just want to reiterate what I have said over and over again as a part of the Committee on Appropriations. The budget is woefully under-funded.

That is where that issue belongs, not here in the committee on appropriations. Those are mandatory benefits, not within our purview to determine allocation of funds. It is mandatory.

The section 8 vouchers, there is a backlog of need in my district, and I am sure in many others who need section 8 vouchers who have applied for and are waiting for decent, free housing, free from crime, free from other kinds of negative things in our budget.

I commend the gentleman from New York (Mr. WALSH) for what he has done and the gentleman from West Virginia (Mr. MOLLOHAN), but it is really not enough. We have got to be realistic with these budgets. There are children, there are families who need us to stand up to our responsibility. If we look at veterans’ coverage, it is lacking. In public housing needs, it is lacking. We can do better.

I would hope that as we go through the process, as we get through conference, and everybody says, Wait till we get to conference. It is going to be better, it is our responsibility today, we ought not have to wait until we get to conference. Mr. Chairman, as we leave this bill is on the floor, we will be debating it much of this evening, let us remember those veterans, those poor people who need us to speak out for them.

Mr. MOLLOHAN, Mr. Chairman, I yield 4 minutes to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas, Mr. Chairman, let me first appreciate the efforts of the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN) because they probably did a competent job with what they had to work with. But I still believe that in addition to the veterans and the housing needs, this bill also represents a lost opportunity in research. The President proposed a historic budget increase for the National Science Foundation this year. The increase was intended to bolster the activities of an agency with a critically important role in sustaining the Nation’s capabilities in science and engineering research and education.

The bill cuts the amount of the request by more than $500 million. This is shortsighted and inconsistent with the previous actions of the House. It also ignores the well-known connection between research and economic development. I characterize the bill as shortsighted because it has now been shown that public support for basic research in science and engineering is an investment in the future economy and in the well-being of our citizens. Over the past 50 years, half of U.S. economic productivity can be attributed to technological innovation and the science that has supported it. The social rate
of return for basic research performed at academic institutions has been found to be less than 1 percent.

Basic research discoveries launch new industries that bring returns to the economy that far exceed the public investment. The recent example of the Internet, which emerged from research projects funded by the Defense Advanced Research Projects Agency and the National Science Foundation strikingly illustrates the true investment nature of such research expenditures. What then will be the effects of the anemic increase provided for the National Science Foundation by this bill? The most important is also the least quantifiable, that is, the lost opportunities due to research ideas that are not pursued.

Last year alone, the National Science Foundation could not fund 3,800 proposals that received very good or excellent ratings by peer reviewers. The budget increase requested for fiscal year 2001 has greatly reduced the number of meritorious research ideas doomed by rejection because of inadequate budgets. Nearly half of the increase in the fiscal year 2001 National Science Foundation budget proposal was designated for the core research programs of the foundation. This new funding would increase average grant size and duration as well as increasing the number of new awards. Inflation has reduced the relative value of National Science Foundation awards, thereby adding to the overhead burden placed on the academic research community. That is, researchers must generate multiple proposals to obtain adequate funding for their research projects. If NSF were to be allowed to reach its goal of increasing average grant size to $200,000 per grant during the next 3 years, it estimates the savings in the cost of research proposal preparation alone would be $50 million. Of course, this is only a portion of the potential savings since it does not include reductions in the time for proposal reviews and the reduced cost to universities from administering these few grants.

Overall, the cuts from proposed funding levels in the bill will result in more than 4,000 fewer awards for state-of-the-art research and education activities. This reduction will curtail investments in exciting, cutting-edge research initiatives, such as information technology, the nanoscale science and engineering, and environmental research. The effect will be to slow the development of new discoveries with immense potential to generate significant benefits to society.

The reduction in funding also translates into almost 18,000 fewer researchers, educators, and students supported by NSF support. The direct, and negative, effect on the shortages projected in the high-tech workforce. It will reduce the number of well-trained scientists and engineers needed for the Nation's future.

Finally, I feel I must point out the inconsist-

tency between the funding provided by the bill for NSF, found so eloquently expressed by many Members of this House, and the widespread use of information technology.

In February the House passed H.R. 2086 by acclamation. This bill authorizes nearly $5 billion over four years among seven agencies for information technology research. NSF was the lead agency for this initiative. The bill was provided a major portion of the resources. H.R. 4635 cuts the requests for NSF's part of this initiative by over $154 million, or by more than 20 percent.

The need for the major new investment in information technology research was advocated by the President's Information Technology Advisory Committee. This committee stated that: "Unless immediate steps are taken to revitalize federal research in this critical area, we believe there will be a significant reduction in the rate of economic progress over the coming decades."

I regret that H.R. 4635 limits support for the research that will lead to breakthroughs in information technology, materials, environmental protection, and a host of technology dependent industries.

The economic growth that has been fueled by advances in basic research will be endangered by the failure of this bill to provide adequate resources for the math, science, and engineering research and education activities of the National Science Foundation. This is shameful and irresponsible.

Mr. WALSH. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. I thank the gentleman for yielding me this time.

Mr. Chair, I think we need to point out, as the gentleman from New York (Mr. WALSH) has pointed out in previous remarks, that we have increased funding for veterans medical care by $1.3 billion. I may point out, it took ago for the (I mean) to realize what Members of this body, both Democrats and Republicans, have realized all along, that funding for veterans medical care must be increased, and we have done it. When we combine that with last year's historic increase, this Congress will have provided $3 billion more for veterans medical care in the last 2 years.

Mr. Chairman, we are keeping our promise. Unlike the President's budget, all funds that are collected by the VA from third-party insurers and copayments will stay according to our budget within the VA system. The President's budget proposed that the first $350 million collected as a result of changes under the Veterans Millennium Health Care Act signed into law and passed last year be returned to the Treasury, not to the Veterans Administration.

This bill requires that those outside collections be retained by the VA and to be used for improving veterans' medical care. This is a responsible budget, because it better addresses also, Mr. Chairman, the growing and serious problem of hepatitis C among veterans.

The effort to pursue litigation against the tobacco industry, that could bring in $300 billion to pay back the Federal Government for expenses due to the misconduct of that industry.

Mr. Chair, well, if that rider does not get taken out of this bill and that lawsuit is stopped, in the course of a
couple of weeks we will have given $200 billion to 400 families by eliminating the estate tax, and we will refuse to bring in potentially $300 billion that can be used for veterans' health, Indian health services, prescription drug benefits for the elderly, and so many things where we are always saying we do not have the money to fund it.

The amendment that we are going to be offering with a number of our colleagues would strike that rider, and so there would be no misunderstanding about it. That amendment would provide that funds that would otherwise go into the account in the veterans health program for management and legal expenses would be used for pursuing litigation against the tobacco industry which would bring many, many, many times over that amount back to the veterans' health program.

Specifically, we do not use any funds out of the veterans' health program, but only funds allocated for legal expenses. That separate fund would be then allocated to pursue the lawsuit, and all of the veterans' groups want that lawsuit to be pursued.

They know how important it is to get funds that are not enough to meet their needs into the veterans' health priorities. We have explicit support from the Veterans of Foreign Wars, the AMVETS, the Disabled War Veterans, the Paralyzed War Veterans for our amendment; and all of the groups want this lawsuit to go forward.

Let me point out that if we strike this rider we not only have the support of the veterans' organizations, but it will have no effect at all on the Medicaid settlement with the States or on retailers in this country. The only ones who are being sued are the manufacturers of tobacco products who for decades have mislead the American people and the veterans into starting to smoke and continuing to smoke.

They not only mislead about the dangers of cigarettes, they mislead them about the nicotine addiction; and they not only did that, they manipulated the nicotine levels to keep people smoking.

I would hope that when we get into the opportunity for amendments, that Members on both sides of the aisle will join us in striking that rider that would prohibit use of funds to recover money that can be used for veterans' health care from the tobacco industry. It is only to the benefit of everyone that this amendment go forward, and we will hear more about it later.

The CHAIRMAN. The gentleman from West Virginia (Mr. Mollohan) has 30 seconds remaining; the gentleman from New York (Mr. Walsh) has the right to close.

Mr. Mollohan. Mr. Chairman, we have, I think, many requests that would be more than 30 seconds; and, therefore, I yield back the balance of my time.

Mr. Walsh. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. Smith).
<table>
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<tr>
<th>TITILE</th>
<th>FY 2000</th>
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<th>Bill vs. FY 2000 E</th>
<th>Bill vs. FY 2001 E</th>
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<td>Public and Indian Housing</td>
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June 19, 2000
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<th>DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 2001 (H.R. 4635) —Continued</th>
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<td><strong>(Amounts in thousands)</strong></td>
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<tr>
<td><strong>FY 2002</strong></td>
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<tr>
<td><strong>Across the board reduction (3.56%)</strong></td>
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<tr>
<td><strong>Housing net-assists</strong></td>
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<td>Direct section 8 contracts</td>
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<td>Section 8 realization assistance</td>
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<td>Contract administration</td>
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<td>Incremental contract awards</td>
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<td>Administrative fee charges</td>
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<td>Voucher for disabled</td>
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<td><strong>Subtotal</strong></td>
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<tr>
<td><strong>Recision of unobligated balances</strong></td>
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<td>Section 8 expenditures (recision)</td>
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<td>Section 8 carryover and Tenant Protection (recision)</td>
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<td><strong>Public housing capital fund</strong></td>
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<td><strong>Public housing operating fund</strong></td>
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<td><strong>Subtotal</strong></td>
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<td><strong>Drug elimination grants for low-income housing</strong></td>
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<td><strong>Rehabilitation of severely distressed public housing (HOPE IV)</strong></td>
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<td><strong>Indian housing loan guarantee fund program account</strong></td>
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<td><strong>Subtotal</strong></td>
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<td><strong>Total, Public and Indian Housing</strong></td>
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<tr>
<td><strong>Community Planning and Development</strong></td>
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<tr>
<td>Housing opportunities for persons with AIDS</td>
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<tr>
<td>Rural housing and economic development</td>
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<td>America’s private investment companies program:</td>
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<tr>
<td>(limitation on guaranteed loans)</td>
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<td>Credit subsidy</td>
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<tr>
<td><strong>Urban development zones</strong></td>
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<td><strong>Rural development zones</strong></td>
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<td><strong>Subtotal</strong></td>
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<td><strong>Community development block grants</strong></td>
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<td><strong>Across the board reduction (3.56%)</strong></td>
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<td><strong>Section 108 loan guarantees</strong></td>
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<td>信用 subsidy</td>
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<td>HOME investment partnerships program</td>
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<td>HOME rehabilitation program</td>
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<tr>
<td><strong>Communities in schools community development program</strong></td>
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<td><strong>Subtotal</strong></td>
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<td>(limitation on direct loans)</td>
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**Note:** The table above represents the budget appropriations for various programs related to veterans affairs and housing and urban development for the fiscal year 2001. It includes details on various subsidies, grants, and loan guarantees provided by the federal government. The table reflects adjustments and reductions across different programs, with a focus on public and Indian housing, community development, and housing programs.
### DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 2001 (H.R. 4635) — Continued

<table>
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<tr>
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<th>FY 2000 Enacted</th>
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<th>Bill</th>
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<th>31st vs. Request</th>
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<tr>
<td>(By transfer, limitation on FHA corporate funds)</td>
<td>(516,000)</td>
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<td>70,000</td>
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<td>627</td>
<td>430</td>
<td>(1,928)</td>
<td>(1,928)</td>
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<tr>
<td><strong>Subtotal, Office of Inspector General</strong></td>
<td>180,086</td>
<td>261,224</td>
<td>150,000</td>
<td>-111,224</td>
<td>-111,224</td>
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<tr>
<td>Across the board reduction (0.3%)</td>
<td>-50</td>
<td>-50</td>
<td>-50</td>
<td>-50</td>
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<tr>
<td><strong>Office of Inspector General</strong></td>
<td>6,017</td>
<td>6,178</td>
<td>6,015</td>
<td>-262</td>
<td>-262</td>
</tr>
<tr>
<td><strong>Subtotal, Office of Inspector General</strong></td>
<td>-30</td>
<td>-30</td>
<td>-30</td>
<td>-30</td>
<td>-30</td>
</tr>
<tr>
<td><strong>Total, Office of Inspector General</strong></td>
<td>551,600</td>
<td>556,308</td>
<td>540,000</td>
<td>(15,008)</td>
<td>(15,008)</td>
</tr>
<tr>
<td><strong>Total, Federal Emergency Management Agency</strong></td>
<td>3,328,421</td>
<td>3,560,477</td>
<td>3,576,730</td>
<td>+9,200</td>
<td>+9,200</td>
</tr>
<tr>
<td>Appropriations</td>
<td>3,328,421</td>
<td>3,560,477</td>
<td>3,576,730</td>
<td>+9,200</td>
<td>+9,200</td>
</tr>
<tr>
<td>Recissions</td>
<td>(12,734)</td>
<td>(12,734)</td>
<td>(12,734)</td>
<td>(12,734)</td>
<td>(12,734)</td>
</tr>
<tr>
<td><strong>Total, Federal Emergency Management Agency</strong></td>
<td>3,315,687</td>
<td>3,547,743</td>
<td>3,564,000</td>
<td>+16,257</td>
<td>+16,257</td>
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</tbody>
</table>
### DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 2001 (H.R. 4635) – Continued

(All amounts in thousands)

<table>
<thead>
<tr>
<th>FY 2000</th>
<th>FY 2001</th>
<th>BILL</th>
<th>SR. vs. FY 2000</th>
<th>BR. vs. FY 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enacted</td>
<td>Request</td>
<td>Enacted</td>
<td>Request</td>
<td>Enacted</td>
</tr>
</tbody>
</table>

#### General Services Administration

Federal Consumer Information Center Fund: 2,022 8,822 7,122 +4,500 +300

### National Aeronautics and Space Administration

- **Human space flight:**
  - FY 2000: 5,510,000
  - FY 2001: 5,499,900
  - BILL: 5,499,900
  - SR. vs. FY 2000: -1,000
  - BR. vs. FY 2000: -1,000

- **Science, aeronautics and technology:**
  - FY 2000: 5,066,700
  - FY 2001: 5,606,700
  - BILL: 5,606,700
  - SR. vs. FY 2000: +539,700
  - BR. vs. FY 2000: +539,700

- **Mission support:**
  - FY 2000: 2,515,102
  - FY 2001: 2,584,000
  - BILL: 2,584,000
  - SR. vs. FY 2000: +68,898
  - BR. vs. FY 2000: +68,898

- **Across the board reduction (0.59%)**
  - FY 2000: 3,976
  - FY 2001: 3,976
  - BILL: +3,976
  - SR. vs. FY 2000: +3,976
  - BR. vs. FY 2000: +3,976

**Total, NASA:** 13,523,700 14,025,300 13,713,000 +50,300 +300

### National Credit Union Administration

- **Reserves:** 41,081
  - FY 2000: 41,081
  - FY 2001: 41,081
  - BILL: 41,081
  - SR. vs. FY 2000: 0
  - BR. vs. FY 2000: 0

### National Science Foundation

- **Research and related activities:**
  - FY 2000: 2,966,000
  - FY 2001: 3,540,600
  - BILL: 3,540,600
  - SR. vs. FY 2000: +574,600
  - BR. vs. FY 2000: +574,600

- **Change in the research and related activities:**
  - FY 2000: 0
  - FY 2001: 0
  - BILL: 0
  - SR. vs. FY 2000: 0
  - BR. vs. FY 2000: 0

- **Across the board reduction: (0.59%)**
  - FY 2000: 15,300
  - FY 2001: 15,300
  - BILL: +15,300
  - SR. vs. FY 2000: +15,300
  - BR. vs. FY 2000: +15,300

- **Salaries and expenses:**
  - FY 2000: 140,000
  - FY 2001: 157,000
  - BILL: 157,000
  - SR. vs. FY 2000: +17,000
  - BR. vs. FY 2000: +17,000

- **Across the board reduction (0.59%)**
  - FY 2000: 100
  - FY 2001: 100
  - BILL: +100
  - SR. vs. FY 2000: +100
  - BR. vs. FY 2000: +100

**Total, NSF:** 1,016,000 1,091,700 1,068,000 +69,700 +230

### Neighborhood Reinvestment Corporation

- **Reserves:** +1,499
  - FY 2000: 1,499
  - FY 2001: 1,499
  - BILL: 1,499
  - SR. vs. FY 2000: 0
  - BR. vs. FY 2000: 0

### Payment to the Neighborhood Reinvestment Corporation

- **Reserves:** +15,000
  - FY 2000: 15,000
  - FY 2001: 15,000
  - BILL: 15,000
  - SR. vs. FY 2000: 0
  - BR. vs. FY 2000: 0

### Selective Service System

- **Salaries and expenses:**
  - FY 2000: 24,000
  - FY 2001: 24,400
  - BILL: 24,400
  - SR. vs. FY 2000: +400
  - BR. vs. FY 2000: +400

- **Across the board reduction (0.59%)**
  - FY 2000: 91
  - FY 2001: 91
  - BILL: +91
  - SR. vs. FY 2000: +91
  - BR. vs. FY 2000: +91

### Other Provisions

- **HRSA - Prevention of Affordable Housing:** +14,000
  - FY 2000: 14,000
  - FY 2001: 14,000
  - BILL: 14,000
  - SR. vs. FY 2000: 0
  - BR. vs. FY 2000: 0

### VHA Compensation Date Shift 3/1

- **VHA Personnel Date Shift 3/1:** +1,574,000 +1,574,000 +1,574,000

### Grassroots Int'l

- **Grassroots Int'l:** 99,171,445 107,866,099 101,265,030 +2,601,069 +4,598,215

### Current year, FY 2001

- **Appropriations:** 94,371,045 103,760,099 97,069,060 +2,691,039 +4,698,135

### Appropriaions, FY 2002/2003

- **(Transfer out):** 2,674,475 2,792,517 2,978,955 +2,674,517 +2,674,517

### Federal Housing Administration, FY 2002

- **Reserves:** 2,480,239 2,480,239 2,480,239 +2,480,239 +2,480,239

### Management and Budget, FY 2002

- **Reserves:** 2,437,700 2,437,700 2,437,700 +2,437,700 +2,437,700

### Total mandatory and discretionary

- **Total mandatory and discretionary:** 92,877,918 107,525,099 101,265,030 +6,260,069 +4,598,215

### Mandatory

- **Mandatory:** 21,306,829 24,581,086 24,511,086 +3,204,257 +3,204,257

### Discretionary

- **Discretionary:** 71,571,089 82,944,013 76,754,944 +4,262,925 +4,262,925

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**Note:**
1. FY 2000 & FY 2001 Request were part of Hazardous Substance Superfund account.
2. FY 2000 & FY 2001 Request modified to reflect comparable new accounts in Dept of HHS.
3. CB: assigned request to authorizing committee.
Mr. SENSENBRENNER. Mr. Chairman, as the House proceeds to consider H.R. 4635, the Veterans Affairs and Housing and Urban Development Appropriations Act for Fiscal Year 2001, I wish to highlight several features of this legislation that are important to our nation’s science enterprise. I also will comment on EPA’s reformulated gasoline mandate.

NATIONAL SCIENCE FOUNDATION

Concerning the National Science Foundation, I support funding at the requested level of $4,572 billion for fiscal year 2001. On May 17, 2000, I introduced H.R. 4485, the National Science Foundation Authorization Act of 2000. This bill authorizes programs at NSF not authorized by the Science Committee in previous legislation. Together with other authorization bills passed by the Committee—including H.R. 2086, the Networking and Information Technology Research and Development Act, and H.R. 1184, the National Earthquake Hazards Reduction Act—H.R. 4485 would boost NSF’s FY 2001 budget to about $4.6 billion, $54 million above the requested level.

While it should be recognized that, with an increase of $167 million, NSF has fared comparatively well in the appropriations process, I would have preferred to see an increase in funding closer to the level requested, especially given the large increases planned for the National Institutes of Health (NIH).

Indeed, I think it is important that the role of NSF in providing the intellectual capital needed for both economic growth and biomedical research be more widely recognized. Today, we are in the midst of one of the Nation’s longest economic expansions, an expansion that owes much to technological changes driven by the basic scientific research conducted 10 to 15 years ago. Many of today’s new industries, which provide good, high paying jobs, can be linked directly to research supported by NSF.

Moreover, many of the breakthroughs in biomedical research have their underpinnings in research and technologies developed by investigators under NSF grants. The development of Magnetic Resonance Imaging is just one of many examples. We often loose sight of the fact that the ongoing revolution in medicine is as much a phenomenon of the physical and computational sciences as the biological sciences.

I do not begrudge the increased funding provided for NIH, but I think we could achieve a better balance between the biomedical fields and the other fields of science that contribute to our health and well being in ways that may not be readily apparent. The case for maintaining diversity in the federal research portfolio was made in the Science Policy Study, Unlocking Talent, which found that, “It is important that the federal government fund basic research in a broad spectrum of scientific disciplines . . . and resist over-emphasis in a particular area or areas relative to other.”

If Congress continues to concentrate scientific funding in one area, I am concerned that important research in other areas may be given short shrift. Such a result could have serious consequences for future economic growth and biomedical breakthroughs.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

While I am disappointed that H.R. 4635 does not include NASA’s Space Launch Initiative, I am pleased to note that the bill recommends $13.714 billion for NASA, an increase of $112.8 million over this fiscal year.

I especially commend the hard work of the Subcommittee and Committee leadership, and the Chair, to ensure that NASA’s programs and policy initiatives are sound and emphasize the pursuit of a broad range of space science. Among other notable issues cited in the accompanying committee report, I support the bill’s recommendations to fully fund the Space Shuttle, Earth Sciences, and Space Station; to encourage use of the Shuttle for life and microgravity research missions; and to withhold funding for the proposed “Living With a Star” program until some of our questions about the program are adequately and fully answered.

As Members are aware, several important NASA programs have suffered some failures this year and the agency is appropriately reexamining its implementation of the concept of “faster, better, cheaper.” Indeed, NASA must continue to pursue cost savings measures as it designs and builds future space, but that it manage these plans with more agency oversight and with mission costs predicated on appropriate levels of risk.

Finally, I commend the Committee for insuring that NASA’s aeronautics activities are properly targeted and that the agency not expend its limited budget on activities that more appropriately fall under the jurisdiction of other federal agencies.

The Space Station and the X-33 continue to drag on NASA’s ability to move our space program to the next level of achievement. The Administration made fundamental management errors, in the first instance by allowing Russia to bring station construction activities to a complete halt, and in the second instance by entering into a cooperative agreement with an industry partner without appropriate safeguards to protect the federal investment.

Understanding the Chairman’s actions in working with the Space Station Initiative in the Conference Report. I look forward to working with the Chairman to accomplish that goal because I believe the program is important.

EPA’S REFORMULATED GASOLINE MANDATE

Under the Clean Air Act, the Environmental Protection Agency (EPA) mandated the sale of reformulated gasoline (RFG) to help reduce ozone levels in areas determined by the EPA to have high levels of ozone. At the time the original requirements were implemented in 1995, I had concerns about RFG’s human and environmental health effects, cost, potential harm to engines, and about a possible drop in gas mileage. Numerous studies, including one by the EPA’s own Blue Ribbon Panel, have shown my early skepticism to be well founded. The Blue Ribbon Panel recommended the phase-out of MTBE, an RFG additive, because it has been identified as a potentially dangerous drinking water contaminant. Another study, by the National Research Council, concluded that due to commonly available additives in RFG there is little, if any impact on improving air quality.

Now, following EPA’s implementation of RFG Phase II requirements, gas prices in the Midwest in areas forced to comply with the new requirements are the highest in the nation. Despite the clear correlation between the areas in the Midwest forced to adopt the RFG mandate and those areas with exceptionally high gas prices, EPA has refused to accept even partial responsibility and has rejected opportunities to provide a solution to the problem. To-date, EPA has refused to grant even a temporary waiver from RFG enforcement despite repeated requests from state and federal officials gasoline consumers, and businesses in Wisconsin and Illinois. EPA has even refused to grant a waiver during the on-going FTC investigation into possible price gouging. Initial reports indicate the FTC’s investigation could be lengthy, meaning a resolution to this costly ordeal may not be near.

EPA’s lack of strong science to support the RFG mandate and refusal to accommodate the requests of the severely impacted communities is troubling. I continue to be extremely disappointed with EPA’s actions on this issue.

Mr. LARSON. Mr. Chairman, the Fiscal Year 2001 VA-HUD Appropriations bill, H.R. 4635, which we are considering today is woefully inadequate and fails to address America’s needs in housing, economic development, veterans, and science and technology programs. This is particularly distressing in these times of unprecedented prosperity and rising surpluses.

Among many unacceptable funding provisions, the bill freezes funding for veterans medical research, cuts grants for construction of state veterans homes $30 million below the current year level, and provides $56 million less than requested to improve processing of applications for benefits.

The bill appropriates no funds for the 120,000 new housing assistance vouchers proposed by the Administration. Further, it cuts the Community Development Block Grant by $275 million below the current year level.

And while it provides an increase for research at the National Science Foundation, it falls short of the President’s requested increase by $508 million. The bill also fails to adequately provide for National Aeronautics and Space Administration’s Science and Technology programs, which the bill underfunds by $323 million. These cuts I believe would jeopardize the future of our space research programs, including programs directed at solving problems here on earth, that are pushing forward the frontiers of knowledge about our universe.

Even more distressing, the bill only appropriates $300 million of the $2.9 billion requested by the Administration for the Federal Emergency Management Agency’s Disaster Relief Fund, thereby jeopardizing FEMA’s ability to respond quickly and adequately to natural disasters.

Finally, the bill once again seeks to completely eliminate the AmeriCorps National Service program. As a result a great number of important projects that foster involvement and learning in technology by children and adults and programs that bring technology to underserved populations and address weaknesses in our economy, will go unfunded. One of these is Project FIRST (Fostering Instructonal Reform Through Service and Technology Initiatives), whose role it is to increase
Mr. Chairman, I believe the cuts in this bill would move America in the wrong direction. Despite our unprecedented economic prosperity, there are significant unmet needs in our nation’s communities and in our science and research programs. This bill is part of the majority’s strategy of financing tax cuts targeted to the well off by cutting domestic spending. We should not be placing the burden of our prosperity on the backs of the people who will suffer most from cutting programs that meet vital housing, economic development, emergency, and research needs.

I will strongly oppose this bill because it fails to meet our responsibilities to war veterans, to provide relief and recovery after natural disasters, to provide service to the community, to protect the environment, to help meet housing needs, and to undertake the essential research and development that is fueling the magnificent growth achieved by the American economy and enjoyed by the American public in the last eight years.

We can do better, Mr. Chairman. Mr. WATTS of Oklahoma. Mr. Chairman, I am pleased to see that the Committee’s bill includes $10 million to help bridge the Digital Divide in Indian Country. This funding will encourage Native Americans to pursue degrees in information technology and other science and technology fields and will build the capacity of tribally controlled community colleges—and their K–12 feeder schools—to offer high-quality science and technology classes.

According to the National Telecommunications and Information Administration (NTIA), poor rural Native Americans are being left behind when it comes to even the most basic telecommunications services. According to one NTIA study, 76% of rural households with incomes of less than $5,000 have phones, but only 46% of individuals at the same income level on tribal lands have a telephone connection.

Oklahoma is home to 37 federally-recognized tribal nations and to more than 254,000 tribal members. The Cherokee Nation, located in Tahlequah, is the second largest tribe in the United States, with 207,790 members.

That is why I appreciate funding of the $10 million tribal college technology program in the FY 2001 National Science Foundation budget. At this point, it is uncertain whether the Senate will also fund this critical initiative. I hope Congress will work to preserve funding for this important program as the FY 2001 VA–HUD appropriations bill moves forward so that Native Americans in Oklahoma and across America can get the education and training at tribally-controlled community colleges they need to compete in the knowledge-based economy.

Mr. KILDEE. Mr. Chairman, I rise in opposition to H.R. 4635, the FY 2001 VA–HUD appropriations bill. I want to express my concern that the bill provides zero increases for the HUD Indian housing programs. The budget provides $693 million for FY 2001, which is the same amount as the FY 2000 enacted level. This provides no funding for any of the new initiatives proposed by the administration.

The President requested $730 million for Indian housing programs, and the budget we are considering today slashes the President’s request by $37 million.

Mr. Chairman, Native Americans continued to have the poorest housing in this country. The National American Indian Housing Council’s fact sheet on Indian housing reveals that the poverty rate for rural Native Americans is 37 percent, a rate that is higher than any other racial/ethnic group, 69 percent of Native Americans in tribal areas live in overcrowded homes, 21 percent of homes in tribal areas are overcrowded according to the national average of 2.7 percent, and 16.5 percent of Native American households in tribal areas are without complete plumbing.

With that kind of data supporting the need for more Federal funding for Indian housing, Mr. Chairman, HUD has not supported a bill that provides zero funding for the people that need the funding most. I urge my colleagues to oppose the FY 2001 VA–HUD appropriations bill.

Mrs. MEEK of Florida. Mr. Chairman, despite the efforts of my Chairman, who did the level best he could with the subcommittee funding allocation that was given to him, there are numerous funding problems in this bill.

But I rise to express my concerns in particular about the lack of funding to help the poorest of the poor obtain decent housing.

We are living in the period of the greatest economic prosperity in our nation’s history. But even this economic boom has created a housing crisis for many Americans.

In its State of the Cities Report, HUD reported that serious housing problems are increasing at almost twice the rate of population growth. These are the people who pay more than a quarter of their incomes for housing, and the people who have no choice but to live in unsafe or substandard housing.

There are over 5 million families who pay more than 50% of their income on housing. This number is the highest in the nation’s history, and unfortunately, the number continues to grow.

Worst-case housing needs have been three times as high for families with full-time wage earners than for other families, and particularly high for minority families.

Housing rental assistance is an important solution to the housing affordability problem. HUD’s incremental vouchers help families to find homes—families that are currently homeless, living in substandard housing or paying more than half of their income in rent.

Vouchers work: the average waiting period for a Section 8 voucher is about two years. In virtually every urban area anywhere in the country, people making the minimum wage cannot afford even a medium priced apartment rental. Housing vouchers make that possible, and they do it using private sector housing.

Yet the bill does not fund the President’s request for 120,000 additional incremental housing vouchers. In fact, despite its claims, it is debatable whether or not this bill will provide HUD with any new vouchers to help our families and individuals find safe, decent and affordable housing.

The bill as written claims to allow HUD to provide up to 20,000 additional vouchers.

But this is just “funny math,” or “creative accounting” because these additional vouchers are only funded in the bill through overly rosy and optimistic estimates of recaptures of unused Section 8 funds.

HUD will only have these vouchers available if the Department recaptures more funds than the amount that HUD itself says can be recaptured.

HUD does not even expect these recaptured funds to be available.

We would never treat rich people this way; you can bet they get hard cash to meet their needs. Yet poor families are shunted aside with a promise that may not even pan out.

Budget surpluses provide additional incremental vouchers means that families will have to continue to live in substandard housing or pay excessive portions of family income toward rent.

Mr. Chairman, I agree that HUD needs to spend the funds it has recaptured. I understand that HUD has recaptured all the funding it legally can and is taking additional steps to increase voucher utilization. For example:

HUD is instituting a Section 8 management assessment program to identify poor performers.

The Department is providing for the transfer of unused funds to a public housing agency that can use them right away.

HUD has also proposed the use of a voucher success fund in rental markets where public funding agencies are not fully using available funds.

Denying incremental vouchers denies families opportunities for safe, decent housing and affordable housing.

What this bill does is punish the majority of public housing authorities—that are providing technical assistance to families and need more vouchers—because a few public housing agencies have performed poorly.

If funding for the President’s proposed additional 120,000 incremental vouchers is not provided, there is a very real danger that this funding will never be made up in subsequent appropriations.

Mr. Chairman, the only way that this bill can be repaired is for the House leadership to provide the additional needed funding.

It makes no sense to underfund such an important bill when the nation is running record budget surpluses and the needs of the poor in this country are unmet.

Mr. BERETTER. Mr. Chairman, this Member rises today to express his support for H.R. 4635, the VA, HUD and Independent Agencies Appropriations Act for fiscal year 2001. First, this Member would like to thank the distinguished Chairman of the Appropriations Subcommittee on VA, HUD and Independent Agencies from New York (Mr. WALSH), the distinguished Ranking Member from West Virginia (Mr. MOLLOHAN) and all members of the Subcommittee for the work they did under the tight 302(b) allocation.

This Member would like to focus his remarks on the following four areas: Housing, Community Development Fun—Community
Development Block Grant (CDBG), America’s Private Investment Companies (APICs) and the Federal Emergency Management Agency’s (FEMA) National Flood Insurance Program (NFIP) on repetitive loss.

HOUSING

First, this Member would like to comment favorably upon the treatment of the Section 8 and Section 202 programs, which were funded as adequately as we can under the budgetary restraints. The Subcommittee correctly recognizes the demographic shift to a more aging population with the funding for Section 8 contract renewals.

In addition, this Member commends the $6 million appropriation for the Section 184, American Indian Housing Loan Guarantee Program, which this Member created in consultation with a range of Indian Housing specialists. This seems to be an excellent new program which this Member says without appropriate community and recognition of his colleagues’ support, is providing privately financed homes through a government guarantee program for Indian families who are otherwise unable to secure conventional financing due to the trust status of Indian reservation land. The $6 million appropriation, in supersedes $4.5 million guarantees totaling $72 million which should assist an estimated 20,000 families.

Moreover, this Member would like to specifically comment the Subcommittee for reducing duplicative efforts of the Federal Government in rural housing and economic development. After a funding level of $25 million in fiscal year 2000 for rural housing and economic development efforts in HUD, the Subcommittee appropriated $20 million for fiscal year 2001 for HUD’s rural housing and economic development efforts. This Member would prefer that no money is appropriated for HUD for this purpose.

In fact, this Member testified before the VA, HUD and Independent Agencies Appropriations Subcommittee in opposition to HUD’s duplicative efforts in rural housing and economic development. In the past, the United States Department of Agriculture (USDA) through their Rural Development offices has successfully implemented numerous rural housing and economic development programs. As a result, this Member disagrees with HUD’s efforts to duplicate USDA Rural Development staff.

COMMUNITY DEVELOPMENT FUND (CDBG)

Second, this Member would like to emphasize a concern over the VA, HUD and Independent Agencies Appropriations bill which in large part results from budgetary restraints. The Community Development Fund, which includes the CDBG program, is $4.5 billion, which is $295 million less than the fiscal year 2000 level. This reduction is of deep concern to this Member. The CDBG program has been a model of local-Federal partnership.

The CDBG program not only is valuable to the larger entitlement cities, it gives assistance to those communities under 50,000 through state administering agencies. It is a government program with minimal overhead and bureaucracy. Moreover, CDBG has provided invaluable dollars to cities and rural communities for such things as affordable housing, public infrastructure, and economic development.

APIC

Third, this Member does applaud the Subcommittee for providing no new budget authority to HUD for the APIC program. APICs would be companies which are licensed by the Department of Housing and Urban Development (HUD) pursuant to a national competition for venture capital firms. Currently, HUD does not have the proper capability to administer APIC. To illustrate this, the Inspector General has labeled HUD a “troubled agency.” Rather than focusing on new initiatives like APIC, HUD should focus on its existing projects.

NFIP REPEITIVE LOSS

Lastly, this Member supports the language included in the appropriations measure which provides FEMA with up to $50 million to be obligated for pre-disaster mitigation activities and reserve funds for the following disaster declarations. This Member believes that this appropriation is just a first step in eliminating repetitive loss under the National Flood Insurance Program (NFIP) administered by FEMA. In fact, this Member has introduced a measure, H.R. 2728, Two-Floods-and-You-Are-Out-Of-the-Taxpayer’s-Pocket Act, which authorizes FEMA to offer buy-outs to repetitive loss properties and to increase the NFIP rates to actuarial for those properties who refuse a publicly funded mitigation offer.

Because of the necessity to fund important housing and economic development programs, this Member would encourage his colleagues to support H.R. 4635, the VA, HUD and Independent Agencies Appropriations Act.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the Congressional Record. Those amendments will be considered read.

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

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veteran Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2001, and for other purposes, namely:

Mr. WALSH. Mr. Chairman, I reserve a point of order against the gentleman’s amendment.
Mr. FILNER. Mr. Chairman, I thank the Chair for his courtesy in hearing this amendment. I have a series of amendments, Mr. Chairman, that speak to the former statement that provides for the full costs of college education for the average costs of attending a 4-year public school college as a commuter student. That number would come to $975 a month this year for full-time study.

The gentleman from Mississippi (Mr. SHOWS) introduced that bill as H.R. 4334. It has the full backing of veterans’ organizations and higher education associations, who are trying to go to college; and that is the nature of the amendment I have before us today.

Mr. Chairman, in 1981, the education benefit to our veterans which allowed them to go to college was $493 a month. 20 years later, with incredible soaring costs of education and associated expenses, we are paying only $20 more per month.

I ask the gentleman from New York (Mr. WALSH) is that not falling behind? Here we have an amendment to catch up, to make sure that the Montgomery GI bill named after our former Member and great chairman of the Committee on Veterans’ Affairs, that the goal of the Montgomery GI bill, to provide meaningful benefit, to those discharged Members, while also giving military recruiters an effective tool to support the concept of an all-volunteer force.

My amendment will allow us to meet these goals because today this bill is not accomplishing any one of them. We are not providing a benefit that will help our retention and recruitment. We are not providing a readjustment benefit. We are not honoring the sacrifice of our veterans.

My amendment would provide $900 million in additional funding for enhanced educational assistance. This number, Mr. Chairman, is important to explain how it was arrived at.

All the Members of the Committee on Veterans’ Affairs applauded when the so-called transition commission reported its findings to our committee. That commission said that the Montgomery GI benefit should provide for the full costs of college education and its associated expenses for our veterans. Then we would have a recruiting tool to help our Nation’s armed forces. In fact, that notion was embodied in H.R. 1071, the Evans-Dingell bill, which would pay for those full costs, in addition to a stipend of $800 a month.

The point is we couldn’t reach a compromise, the gentleman from Arizona (Mr. STUMP), also introduced a bill, H.R. 1182, which would pay for 90 percent of those costs. When we realized that the budget could not provide for that in the short run, a coalition across this Nation of veterans’ organizations and higher educational institutions came together and came up with a compromise to say, let us at least provide at the beginning for the average costs of attending a 4-year public school college as a commuter student. That number would come to $975 a month this year for full-time study.

The gentleman from Mississippi (Mr. SHOWS) introduced that bill as H.R. 4334. It has the full backing of veterans’ organizations and higher education associations, who are trying to go to college; and that is the nature of the amendment I have before us today.

Mr. Chairman, I urge the committee to accept this amendment. The committee would not put this before our Members for a vote following the tradition of many parts of this bill, which have items that are not authorized. I would ask for this committee now to accept this amendment.

Mr. Chairman, I include in the RECORD the statements of various organizations, including the Veterans of Foreign Wars, the AMVETS, the Noncommissioned Officers Association, the Blinded Veterans of America, in support of this amendment. They all have weighed in, and I include that in the RECORD.


Dear Mr. Filner,

Rayburn House Office Building, House of Representatives, Washington, DC.

Dear Mr. Filner:

The NonCommissioned Officers Association of the USA (NCOA) is writing to state its strong, wholehearted support for your amendment to H.R. 4334, the Fiscal Year 2003 VA- Hud Appropriations Act, that would provide enhanced readjustment educational assistance under the Montgomery GI Bill. Although the House of Representatives recently approved a modest increase to the basic monthly stipend, even when fully implemented the increase approved will still only equate to about 60% of the cost of attending a public four-year college.

The military services are in the throes of a recruiting and retention crisis that is nearer the conversion base recruiting is at its lowest since the all-volunteer force began, even though enlistment requirements have declined by thirty-three percent. Sixty-five percent of high school graduates go on to postsecondary education but only about 16 of one hundred youth are available as military prospects.

Proactive enlistees rated assistance with education to be the number one attraction of military service for several decades. That, however, is no longer the case. Prospective enlistees and veterans observe and realize the emphasis Congress has placed on higher education by providing more attractive and richer education programs without the sacrifice and risk associated with service. This realization inevitably results in a negative message to prospective recruits that compounds the bad image which now prevails about military service being an obstacle to a rewarding and productive life— not a means to it.

One comparison dramatically illustrates the need for your amendment. The basic benefit program of the Vietnam Era GI Bill provided $493 per month in 1981 to a veteran with a spouse and two children; however, twenty years later, a veteran in a similar circumstance receives only $43 more. One other comparison illustrates how Congress is sending the wrong message on higher education goals. Today, our warriors who go in harms way will receive a total benefit of $19,296 but only after paying $1200 to establish eligibility (many of whom are food stamps recipients and have inadequate pay). This is morally wrong. At a time when military recruitment is difficult and retention is declining, this is also shortsighted public policy.

NCOA firmly believes it is a fundamental responsibility of any great society to honor and help those who accept the disruption and sacrifices that military service brings. The Association also believes that the programs and services, including the educational assistance programs, offered to those who defend our country must be the programs that are offered to those who do not. When Congress considers education policy, the starting point should be the veteran education benefit but that is not the case. By Congress’ inattention to a program that is arguably the most important recruiting and retention tool available, Congress has devolved military service and we are witnessing the consequences today. It will take a strong message to reverse course and your amendment is right on target.

An unprecedented partnership of 50 military, veterans and higher education associations endorsed H.R. 4334, The Veterans Higher Education Opportunities Act, upon which your amendment is based. That legislation and your amendment simply says: Individuals who volunteer for and honorably serve in the Nation’s uniformed services shall be provided an education benefit equal to the average cost of a commuter student at a public four-year institution of higher learning. For those who have provided for our peace, security and prosperity, as well as those who are not provided with an “average” education benefit is reasonable and doable.

The Non Commissioned Officers Association supports this amendment and urge your colleagues to do likewise and help restore the veteran education benefit to the pre-eminence it should occupy in our society.

Sincerely,

Larry D. Rhea,
Director of Legislative Affairs.
CONGRESSIONAL RECORD—HOUSE
June 19, 2000

Mr. WALSCH. Mr. Chairman, yes, I do.
Mr. Chairman, I make a point of order against the amendment because it clearly proposes legislating on an appropriation bill which violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

PARLIAMENTARY INQUIRY
Mr. FILNER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.
Mr. FILNER. Mr. Chairman, I would just ask the Chair if there are not dozens of programs in this bill that are not authorized by this House?

The CHAIRMAN. Will the gentleman repeat his request?

Mr. FILNER. Mr. Chairman, I would like to know if this bill before us, upon its passage, will the point of order raised because the program is not authorized, even though I see it as an emergency item for our veterans, is it not true that there are dozens of other programs in this bill that are also not authorized by this committee or this House?

The CHAIRMAN. A waiver of potential objections to other portions of the bill is not pertinent to the discussion before us.

The Chair is willing and ready to hear arguments on the pending point of order.

Mr. FILNER. Mr. Chairman, I understand the Chair, but I would argue that a waiver is very pertinent. That is, this House can choose to protect certain programs from a point of order and can choose not to.
I would ask the Chairman of this committee to not raise this point of order, as he has asked the Committee on Rules to waive points of order on dozens and dozens of other programs to provide a basic level of college education to those who have sacrificed for this Nation. It seems to be worthy of a waiver in this case. I would ask the chairman to do so.

The CHAIRMAN. The Chair is prepared to rule. The amendment proposes to designate an appropriation as an emergency for purposes of budget enforcement procedures in law. As such, it constitutes legislation in violation of clause 2(e) of rule XXI.

The point of order is sustained.

Mr. FILNER. Mr. Chairman, is it in order to challenge the ruling of the Chair?

The CHAIRMAN. An appeal of the decision of the Chair is in order.

Mr. FILNER. Mr. Chairman, based on the precedent that there are dozens of other points of order waived in this rule, I move to appeal the ruling of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the Committee?
CONGRESSIONAL RECORD—HOUSE

June 19, 2000

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

So, the decision of the Chair stood as the judgment of the Committee.

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

Mr. Chairman, in order to express my strong opposition to the very inadequate funding levels for housing and community development in this bill.

This bill continues a very regrettable practice of the majority party to underfund housing programs, with the hope that Congressional Democrats and the administration will go to conference and insist in conference on more realistic funding levels.

This year’s House bill is no different. The bill is $2.5 billion lower than the administration’s request; and, with the exception of the illusory section 8 increases, every program is flat funded or cut.

In response to the 5.3 billion household with worst case housing needs, some 12.5 million Americans, including millions of seniors, this bill ignores the administration’s request for 120,000 incremental vouchers. It holds out the possibility of 20,000 incremental, but that is contingent on very unrealistic recapture levels.

In response to the 452,000 Americans who are homeless each night, with estimates of 3.5 million Americans homeless at some point during the year, the bill flat funds homeless programs, and this funding level is 21 percent lower in real terms than it was 6 years ago.

In response to a growing elderly population, the bill cuts public housing funding by $120 million compared to last year’s level, and this level is 27 percent lower in real terms than the level of 6 years ago.

In the wake of an historic bipartisan agreement on new markets and community development programs, the bill requires termination of the HUD Community Builder staff, which provides outreach for HUD programs, it threatens termination of contractors hired to inspect section 8 assisted housing, and reduces HUD’s staffing levels below the already reduced target levels in this plan.

Now, we can wait for a conference to fix a grossly deficient bill, but the right approach is for the House to fix it now, and we cannot fix it in this bill, to oppose the bill.

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

The VA–HUD bill for fiscal year 2001 produced by House Republicans continues a trend over the last few years of providing inadequate funding levels for housing and community development programs, with a wink and a nod that the shortfall will be addressed in conference.

Overall, the VA–HUD bill provides $2.5 billion less than the Administration’s FY 2001 budget. With the exception of illusory increases in the Section 8 account, not a single program receives a funding increase; many receive major cuts. The bill continues to ignore critical needs in affordable housing, community development, and homelessness prevention.

For this, I do not blame the Chairman of the VA–HUD Appropriations Subcommittee, who has strive mightily to do the best he can with clearly inadequate funding allocation. The real problem rests with the leadership of the majority party, which continues to cling to the fiction that their budget resolution provides adequate levels of discretionary spending—both overall and for housing. They know they will be bailed out in the end by Congressional Democrats and the Administration, who will insist in conference on more realistic funding levels—at least as long as we have this administration in the White House.

What is disturbing in recent years is the tendency to underfund housing programs in the House VA–HUD bill, but to cite artificial increases in budget authority to claim publicly that no one should complain about the bill’s inadequacy because, after all, funding is “increased” by billions of dollars for HUD programs.

The bill before us today is a good example of this. Proponents of the legislation point to the fact that budget authority for HUD programs, funded in Title 2, is $4.1 billion higher than the total approved last fiscal year. While technically true, such “increases” are illusory.

They do not expand programs, improve services, or increase the number of people served. Annual increases in required budget authority increases relates to the expiration of long-term Section 8 contracts. Decades ago, Congress approved rental assistance for project-based Section 8 housing under multi-decade contracts, with the estimated multi-year costs completely funded in year one. As a result, no additional budget authority has been needed in each of the years of the long-term contract to continue to pay rental subsidies to the tenants in such project-based housing.

However, when these long term contracts expire and are renewed, Congress must for the first time in decades appropriate budget authority for the first year renewal cost of these rental subsidies. The result is a significant increase in budget authority (from zero to the annual cost) for all expiring contracts in any given year. Yet, the effect on budget outlays in any single year is small. But, the impact on the tenant is zero. The so-called budget authority “increase” is simply illusory.

The majority party acknowledged this in 1997, during consideration of the 1997 bi-partisan balanced budget bill. At the time, we were just entering a period in which we anticipated an explosion of these expiring HUD contracts. As a result, budgeteers anticipated annual increases in required budget authority of several billion dollars a year. And, the majority party promised to build in these virtually automatic budget increases into their discretionary spending baseline. Moreover, when Section 8 reserves and recaptures occurred over the last few years, HUD proposed to use this excess budget authority to soften the impact of the anticipated increases caused by expirations. Instead, the majority party has repeatedly rescinded these Section 8 funds, in order to offset non-housing programs. When Democrats complained, we were assured that HUD would be made whole.

Yet, in recent years, the majority party appears to be trying to mask the inadequate funding levels for housing budget authority increases caused by the expiration of Section 8 contracts. This year is no different. Approximately $3 billion in increases in Section 8 budget authority relate to expiring contracts.

To be fair—to be consistent with what was promised in the 1997 budget bill and subsequent rescission bills—we should refrain from characterizing these as “increases” in housing funding.

Moreover, there are other factors that contribute to the illusion that funding for housing is going up this year. For example, in FY 2000, we had over $1 billion in one-time reductions in HUD budget authority, relating to Section 8 recaptures, rescissions, and FHA provisions which are not expected to occur in FY 2001. The effect is the same as the Section 8 contract expiration phenomenon—the appearance of an increase in funding, but no corresponding benefit to housing programs, services, or low-income individuals assisted.

Finally, we have some $300 million in “increases” in this year’s House bill which are at heart mere accounting changes for administrative expenses and costs in FHA and GNMA. In effect, the HUD target is taking a hit for allocations for costs in programs
which, under the mandatory side of the budget, account for billions of dollars in profits to the federal taxpayers. In any event, this does not produce additional housing or housing services. What is left, out of the billions in gross budget authority increases for housing in the bill before us today, is a few hundred million dollars in increased Section 8 costs for inflation adjustments for Section 8 tenants. In contrast, every other housing program is either flat funded at last year’s levels or receives cuts. And, virtually every program is underfunded compared to need.

5.3 million households (12.5 million Americans, including millions of senior citizens) have “worst case housing needs”—that is, they pay more than 50% of their income for rent or live in severely substandard housing. The average waiting period for a Section 8 voucher or public housing unit is over two years. In six years ago, nationwide, a minimum wage does not provide adequate income to afford a median period apartment rental.

In response to this crisis the majority party in 1995 rescinded the 62,000 incremental Section 8 rental vouchers funded by Democrats the year before. The pattern since then is clear: the Administration proposes incremental vouchers, and the majority party ignores that request in the House VA-HUD bill. This year is no different. In response to the Administration’s proposal for 120,000 incremental vouchers, the bill holds out the mere possibility of 20,000 vouchers—contingent on overly optimistic Section 8 recapture levels, and therefore unlikely to materialize.

The majority justifies this inaction by blaming HUD for what it characterizes as unacceptably low voucher utilization rates. This criticism is not valid. A major cause for less than 100% utilization rates is the normal down time for Section 8 recipients to find housing opportunities—a particularly severe problem in low vacancy areas. To the extent that some housing authorities are not doing a good job in putting vouchers out, the problem lies with them, not with HUD. Moreover, these concerns do not justify ignoring the tremendous unmet rental subsidy need.

According to the Urban Institute, on any single night over 42,000 Americans are homeless, and at some point during the year 3.5 million Americans are homeless. Many homeless are working poor. Yet, the VA-HUD bill does not increase funding for homeless prevention programs, leaving funding 21% lower in real terms than six years ago, the last time Democrats controlled Congress.

As our population ages, and as rents escalate at a faster rate than fixed incomes and inflation, the problem of housing affordability for seniors continues to grow. Yet, the VA-HUD bill flat funds elderly housing—leaving it 53% lower in real terms than the level of six years ago. When Democrats offered an amendment to increase elderly housing by $69 million up to the President’s level, an amendment fully paid for by FHA program changes, the majority voted no on a party line vote.

Public housing units face a multi-billion dollar backlog of repair needs. Yet, the bill cuts public housing funding by $120 million, compared to last year’s bill. The bill’s proposed level is 27% lower in real terms than the level of six years ago.

The bill further extends the President’s recently announced New Markets Initiative agreement with Speaker Hastert, by cutting every community development program, including a $275 million cut from last year’s level for CDBG; a $44 million cut in CDBG Section 108 loan authority; zero funding for Empowerment Zones: zero funding for APIC loan guarantees (part of the New Markets Initiative); and a 20% cut in funding for Brownfields Redevelopment.

The bill cuts the HOME program, which funds low down payment homeownership programs and affordable housing construction. And, the bill ignores HUD’s request for a $9 million increase in housing counseling, leaving funding down 70% compared to six years ago. Counseling is an important tool in fighting the growing problem of predatory lending.

Finally, the bill undermines the progress HUD is making in its Management Reform plan. Specifically, the bill requires termination of the HUD Community Builder staff which provides outreach for HUD programs, threatens termination of contractors hired to inspect Section 8 assisted housing, and reduces HUD staffing levels below the already reduced target levels in this plan.

I am particularly baffled by the majority’s decision to completely eliminate the Community Builder program at HUD. This program is an important component in HUD’s consolidation plan. The purpose is to have a staff of professionals whose sole job is to provide community outreach for and assistance with HUD programs. The purpose is to separate this function from program management and oversight functions.

Last year, the Appropriations Committee expressed its concern about the “External Community Builders” program, especially with respect to the way these personnel were hired. Last year’s bill required the termination of the external community builder program, and prohibited HUD from hiring these individuals except through normal service procedures. The bill clearly did not require or even hint at the termination of the internal community builder program. In fact, there was language indicating how the program should continue to be managed.

Now, the majority is reversing itself by eliminating the community builder program entirely, and mandating the firing of all community builders—even those hired years ago and unaffected by last year’s policy. There are a number of reasons why this is wrong.

First, elimination of this management means that HUD will not be able to keep open some of their smaller field offices. Without the multi-disciplinary background of community builders, the choice will in many cases be between closing a field office or bringing in a larger number of personnel to cover the various program areas—personnel which are not available in a downsized HUD. Inevitable, some smaller field offices will be closed.

Second, it is bad policy to undermine a program designed to make HUD more responsive and accountable to the public. This is a major setback to HUD’s management reforms. HUD will lose its staff that is experienced in these functions, and will be forced to totally reorganize its staffing structure, to the point where individuals go back to mixing program management and outreach responsibilities. The bill before us today, in my view, implies that HUD has failed to follow last year’s policy directives. In fact, all external community builders are being terminated. No one is either slated back into HUD directly or even given a preference because of their role as external community builders. And, the GS level of replacement hires is on average significantly below the levels of the former external community builders.

I am also baffled why funding for “Contract Administrators” is made contingent on achieving unrealized levels of Section 8 recaptures. This line item pays for the hiring of independent contractors which perform physical inspections of HUD-assisted project-based housing.

Last year, the Housing Subcommittee held a hearing in which the GAO testified about the level of progress HUD is making in its management reforms. Yet, one of their principal concerns that GAO cited about HUD was that it did not have a good handle on its Section 8 project-based stock. Therefore, it makes no sense, as this bill does, to make funding for incremental vouchers dependent on realistic Section 8 recapture levels.

You can’t have it both ways—criticizing HUD for its oversight, then robbing HUD of the tools it needs for this oversight.

In closing, I urge members not to overlook the housing funding inadequacies in this bill, simply because budget authority is going up, or because we have vague promises that “things will be taken care of in conference.” Five years ago, the majority party cut the HUD budget by 24%. Housing funding has struggled to catch up ever since. This bill does not address the 5.3 million American households with “worst case housing needs.” This bill does not address the 842,000 Americans that are homeless on any given night. This bill does not address the need to extend our strong economic growth to all communities and individuals.

We can and should do better.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

VETERANS INSURANCE AND INDEMNITIES
For military and naval insurance, national service life insurance, servicemen’s indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487; 91,850,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)
For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That during fiscal year 2001, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $161,844,000, to be transferred to and merged with the appropriation for “General operating expenses.”
CONGRESSIONAL RECORD—HOUSE

June 19, 2000

EDUCATION LOAN FUND PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3696, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,000,000.

In addition, administrative expenses necessary to carry out the direct loan program, $2,000,000, may be transferred to and merged with the appropriation for “General operating expenses”.

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $52,000, as authorized by 38 U.S.C. chapter 31, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,000,000.

In addition, administrative expenses necessary to carry out the direct loan program, $432,000, which may be transferred to and merged with the appropriation for “General operating expenses”.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter V, as amended, and to merge with the appropriation for “General operating expenses”.

GUARANTEED TRANSITIONAL HOUSING LOANS PROGRAM ACCOUNT

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter V, as amended, and to merge with the appropriation for “General operating expenses”.

For the cost of direct loans, $432,000, which may be transferred to and merged with the appropriation for “General operating expenses”.

VETERANS HEALTH ADMINISTRATION
MEDICAL CARE
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and operation of facilities under jurisdiction or for the use of the department; oversight, engineering and architectural activities not charged to project cost; repair, alteration, or providing facilities in the several hospitals and homes under the jurisdiction of the department, not otherwise provided for, either by contract or by the hire of employees and purchase of materials; uniforms or allowances thereof, as authorized by 5 U.S.C. 5901-5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the department for collecting gross obligations owed the department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq., plus reimbursements; provided, That of the funds made available under this heading, not more than $3,000,000,000 may be used for the operation and maintenance of facilities: Provided further, That of the funds made available under this heading, $927,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 2001, and shall remain available until September 30, 2002: Provided further, That of the funds made available under this heading, not to exceed $900,000,000 shall be available until September 30, 2002: Provided further, That of the funds made available under this heading, not to exceed $28,134,000 may be transferred to and used for the purposes of administering the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq. and such sums as necessary to fund cost reimbursement under section 4953 of title 28, United States Code: Provided further, That all amounts so collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under this heading and the purposes of modifying such loans, reduced to the extent that the amount collected as a result of an audit carried out by the contractor: Provided further, That all amounts so collected under the preceding provisions shall be deposited in a designated health care region (as that term is defined in 38 U.S.C. 1729(a)(2)) shall be allocated, net of payments to the contractor, to that region.

In addition, in conformance with Public Law 105-33 establishing the Department of Veterans Affairs Medical Care Collections Fund, and pursuant to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

None of the foregoing funds may be transferred to the Department of Justice for the purposes of supporting tobacco litigation.

AMENDMENT OFFERED BY MR. WAXMAN

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

The Clerk read as follows:

Amendment offered by Mr. WAXMAN:

Page 9, line 3, before the period insert the following: “except for the funds for the administrative and legal expenses of the Department of Veterans Affairs for collecting and recovering amounts owed the Department of Veterans Affairs as authorized under chapter 17 of title 38, United States Code, and the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.).”

Mr. WAXMAN. Mr. Chairman, I am offering this amendment along with the gentleman from Illinois (Mr. EVANS), the ranking member of the Committee on Veterans Affairs, the gentleman from Utah (Mr. HANSEN) and the gentleman from Massachusetts (Mr. MEEHAN), who are the co-chairs of the House Caucus on Tobacco and Health, and the gentlewoman from Michigan (Ms. STABENOW). It amends a rider in the bill that would have the effect of blocking the Justice Department’s lawsuit against the tobacco companies.

Tobacco use may be the single greatest threat to public health in the United States. It kills hundreds of thousands of Americans every year. It is a particular threat to children, who are bombarded by slick advertisements inducing them to smoke, and to veterans, who often become addicted to nicotine while in the service.

With the magnitude of the health threat, Congress’ record on tobacco has been absolutely abysmal. In 1998, I reached across party lines to reach an agreement with the gentleman from Virginia (Mr. BLILEY), the chairman of the Committee on Commerce, on how to regulate tobacco. This was an historic bill that the gentleman from Virginia (Mr. BLILEY) and I had long been opposed to each other on tobacco issues. Our agreement addressed many of the most contentious tobacco issues, including FDA regulation.

But Congress has not even held a single day of hearings on FDA jurisdiction, and today we are considering legislation that would actually shield the tobacco companies from Federal liability. This most likely will be the only legislation which we will consider on the House floor dealing with tobacco.

Mr. Chairman, tucked away in this bill is a rider that is worth hundreds of billions of dollars to the tobacco industry. This rider protects the tobacco industry at the expense of health care for our veterans and the well-being of our children.

Last fall, the Justice Department filed the suit against the tobacco industry. The suit alleges that decades of deceit by the tobacco industry have caused Federal taxpayers to spend billions paying for tobacco-related illness.

The suit seeks recovery of those funds, as well as injunctive relief, to stop the companies from marketing to children and engaging in other deceptive and illegal practices.

This lawsuit is good for the American taxpayer, who spend over $25 billion a year to treat tobacco-related illnesses. Recovery of Medicare funds would be deposited into the Medicare Trust Fund, thus adding years to Medicare’s solvency.

This lawsuit is also good for veterans. Currently the VA spends over $1
billion a year treating tobacco-related illness. Under the Medical Care Recovery Act, any recovery of those funds would be returned to the VA health program. The VA stands to recover billions of health care dollars, dollars that could be used to provide critically needed health care to our veterans.

The lawsuit is modeled on the successful litigation by the States attorneys general, but it will have no effect on their suit or their settlement. It will also have no effect on small retailers. The defendants in this case are all major cigarette manufacturers.

Despite the merits of the suit, a rider in this bill prohibits the VA from transferring funds to the Justice Department for tobacco litigation, and effectively blocks VA from participating in the lawsuit.

This question who is behind this rider. It is the tobacco industry. Philip Morris has been actively lobbying Congress. Last week I mailed a "Dear Colleague" letter that attached the talking points Philip Morris is using. You may even hear some of those talking points in the debate today.

Philip Morris argues this amendment will use VA health care funds for the tobacco lawsuit.

Mr. WALSH. This is simply false. The amendment expressly states that only funds that can be used for the VA lawsuit are "funds intended for veterans' health care." The VA has hundreds and hundreds of doctors, and thousands and thousands of veterans; and we need to use those resources to take care of commitment for medical care.

Mr. Chairman, this funds are precious; and they are dear. Let the Justice Department take it out of their own budget. That is their job. They are the lawyers. They have thousands and thousands of lawyers at the Department of Justice. The VA has hundreds and hundreds of doctors, and thousands and thousands of veterans; and we need to use those resources to take care of commitment for medical care.

The language is limited to one account out of 18 that funds the Department of Veterans Affairs.

Mr. Chairman, my colleague argues that this bill stops the tobacco lawsuit, what we have done in this bill stops the tobacco lawsuit. That is not true. I can assure the House that the VA-HUD bill does not have jurisdiction over the Department of Justice nor its priorities. Nothing in this bill prohibits the Administration or the Department of Justice from moving forward with the lawsuit.

One of the problems with these politically motivated debates is that individual's motivations are questioned.

Mr. Chairman, I do not smoke; I did. I realized it was bad for my health, so I quit about 25 years ago. I hope every American comes to that realization themselves. Those who would support the third-party collection funding scheme, those funds would go to the general Treasury and not to the veterans agency.

So regarding of what we are going to hear, let the Justice Department handle the lawsuits, let the Veterans Administration handle veterans' medical care.

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

Mr. Chairman, this place is something else. I am no blue nose. If people want to make an informed decision to smoke, so be it. I used to smoke three packs of cigarettes a day. At the same time, I worked with asbestos. Johns Manville Corporation knew since 1939 that asbestos caused cancer, but I did not when I was working with it, because they hid it from consumers and Congress. Last week I mailed a "Dear Colleague" letter that attached the talking points Philip Morris is using. You may even hear some of those talking points in the debate today.

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Mr. Chairman, my colleague argues that this bill stops the tobacco lawsuit, what we have done in this bill stops the tobacco lawsuit. That is not true. I can assure the House that the VA-HUD bill does not have jurisdiction over the Department of Justice nor its priorities. Nothing in this bill prohibits the Administration or the Department of Justice from moving forward with the lawsuit.

One of the problems with these politically motivated debates is that individual's motivations are questioned.

Mr. Chairman, I do not smoke; I did. I realized it was bad for my health, so I quit about 25 years ago. I hope every American comes to that realization themselves. Those who would support the subcommittee's position here would be accused of being sold out to the tobacco industry. Well, again, questions these riders very little to dignify the debate. But I would state for the record that I have never accepted tobacco contributions.

We are trying to craft a bill here that provides resources for our veterans. We heard Member after Member, one after another, come up and say we are not putting enough money in here for veterans' medical care, one after another. We are doing our level best to fund veterans' medical care. We put in $1.7 billion last year, $1.35 billion this year; and people still say it is not enough.

If this lawsuit started to draw down veterans' medical care funds, and that is what this does, regardless of what the gentleman from California's (Mr. WAXMAN) subcommittee was holding the hearings, and John's Manville did, and I believe the tobacco companies did too, that there was a synergistic effect between asbestos and tobacco, and when one is exposed to both, one's health care costs go up. The costs of getting one's health covered by veterans health care, for drug prescriptions, for mental health care, for drug prescriptions.

Mr. Chairman, these funds are precious; and they are dear. Let the Justice Department take it out of their own budget. That is their job. They are the lawyers. They have thousands and thousands of lawyers at the Department of Justice. The VA has hundreds and hundreds of doctors, and thousands and thousands of veterans; and we need to use those resources to take care of commitment for medical care.

If the Department of Veterans Affairs and the Administration want to use VA dollars to pay for this lawsuit, they can take the money from the Secretary's office or the general counsel's office. This bill says we cannot take money from veterans' medical care account. This language is limited to one account out of 18 that funds the Department of Veterans Affairs.

I am also concerned about how money derived from this litigation will be spent. No one on the Subcommittee on VA, HUD and Independent Agencies has seen a formal, binding agreement from the Administration or the Department of Justice on how these dollars will be spent between VA, Defense and Independent Agencies. This bill says that money cannot be used for veterans' medical care for hepatitis C, for HIV/AIDS, for spinal injuries, for mental health care, for drug prescriptions.

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One of the problems with these politically motivated debates is that individual's motivations are questioned.

Mr. Chairman, I do not smoke; I did. I realized it was bad for my health, so I quit about 25 years ago. I hope every American comes to that realization themselves. Those who would support the third-party collection funding scheme, those funds would go to the general Treasury and not to the veterans agency.

So regarding of what we are going to hear, let the Justice Department handle the lawsuits, let the Veterans Administration handle veterans' medical care.
we ought to adopt the gentleman’s amendment.

Now, I know that we will hear people say ‘oh, we are going to take money away from veterans’ health care and use it to fund this suit, and it is just going to go into the pockets of the lawyers.’ The fact is that I offered seven amendments in one session alone, trying to get the majority party to increase funding for veterans’ health care, and they turned them all down and they did that 2 years in a row. I would suggest now, to say that the veterans’ department, which has the potential to gain hundreds of millions of dollars in additional revenue for veterans, for the treatment of their problems, to say that they cannot try to do that by expending $4 million out of their own funds to pursue this case on behalf of every veteran and on behalf of the taxpayers is ludicrous, at best.

Mr. Chairman, I would simply point out also that if one checks the facts about litigation only enriching lawyers, the administration has indicated that the department has not engaged any lawyer on a contingency-fee basis. They did engage one firm on a limited arrangement on terms that were favorable to the Government. Under that contract, which ran for 3 months, the firm provided assistance to the Department at a reduced rate of $75 per hour, well below normal billing fees. The payment for services to that firm total less than $80,000.

So we should not kid ourselves. Every time we hear somebody say, this is not about tobacco, remember, it is about tobacco, and it is about lying, and it is about whether or not we will defend the taxpayers’ interests to recoup the billions of dollars that have been spent. It is about meeting our responsibilities to see that the taxpayer is not stuck with the cost of providing health care to veterans and other folks in this society because the tobacco companies lied and caused billions of dollars worth of damage in the process.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

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

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

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

Mr. WAXMAN. Mr. Chairman, we promised the veterans a couple of years ago when we took away money for their disability based on tobacco smoking and all of the illnesses that resulted from it, that we would pursue this litigation and get back into the veterans health care fund those dollars that rightfully belong in that program because of the deception add bad-doing, fraudulent actions of the tobacco companies. After years of deceit and deception, it is right to hold the tobacco companies accountable for their false promises, misrepresentations, suppression of knowledge about the health risks of tobacco.

This rider would stop the litigation. The Attorney General, Janet Reno, today, in a press conference, announced that if this rider goes through, prohibiting the transfer of funds, she will not have the ability to pursue this litigation; she would have to drop the lawsuit.

We are not, and I want to emphasize this, because there seems to be some misunderstanding even on the part of the chairman of the subcommittee about our amendment. We are not transferring money from veterans’ health care, but only from the veterans’ health care fund for litigation, for expenses and legal fees. What more appropriate use of those funds would there be than to go against the tobacco companies to recover money for the veterans’ health program and to keep our promise to the veterans that we would not let money to put into veterans’ health to make up for that which we took away from them over the years, just 2 years ago and to make up for the deceptions that the American Government placed on veterans when we encouraged them to start smoking in the past, which caused so much of the death, disability, and illness for which we could now get recovery from the tobacco industry. I thank the gentleman for yielding.

Mr. OBEY. I would simply say that to suggest that the veterans are getting a bad deal by asking that $4 million be spent on this suit when we can get back hundreds of millions of dollars in return is patently preposterous on its face.

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

Mr. Chairman, I urge my colleagues to support this amendment by our colleagues from California, because it simply allows the wheels of justice to move forward.

Mr. Chairman, there is something terribly wrong with the leadership of this body. During the last Congress, despite overwhelming facts to the contrary, the leadership effectively denied us the opportunity to seek legitimate compensation from the Department of Veterans Affairs for tobacco-related illnesses and disease, as well as tobacco addiction, during their service in the Armed Forces. That day, I believe, was one of the least noble moments in the history of this body.

Now, adding insult to injury, the leadership of the House seeks to deny the funds needed for our Federal Government to continue to seek, in court, an end to cigarette and tobacco prices were up to 76 percent less than commercial retail prices.

Those who support the tobacco industry will make the argument that using VA funds to finance this lawsuit will mean less money for medical care. The truth is, these dollars would be added to the administration’s request after negotiations between the VA and the administration have concluded.

As an additional safeguard, our amendment would be limited to using only funds that would otherwise be used for nonmedical purposes; specifically, for the administration and legal expenses incurred in pursuing this lawsuit. It is misleading to say that these funds will be designated for health care.

Earlier today, four major veterans organizations spoke in support of this amendment. Veterans who will benefit from the successful outcome of this litigation will not be fooled. They want this litigation.

In the name of justice, support the Waxman-Evans-Hansen-Meehan-Stabenow amendment.

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

Mr. Chairman, people back in my district always ask me, they say, is it difficult being in Congress? They say, what is the worst thing that goes on? I always reply, the partisanship that exists between the two parties.

No matter what we do, how much we try and increase, put up priorities, the other side of the aisle wants the majority back, so they will blast anything we do.

The gentleman from Wisconsin (Mr. OBEY) just said that he had 7 different amendments to increase veterans’ health care. Most of us on both sides of the aisle support increasing health care for veterans, and also making sure that the fraud and abuse, like with the VA system, $1 million a day, is taken care of.
Yet, when we get to the House floor here, Members will see and hear; well, it is only tax breaks for the rich. We do not tell people that paying taxes back and take taxes back to the people because they get married is a tax break for the rich, or money that people invest with their families their whole lives, they pay taxes on, build up their business or farm, and where the government wants to come in and take 55 percent of it back, that is a tax break for the rich. There is a legitimate difference of opinion.

I would say to my friends on the other side, we added $1.7 billion, the highest ever for veterans’ health care last year, and $1.4 billion this year. Yet, it is never enough. We will hear, “more research, more HUD,” and in the last bill, “more Labor-HHS.” On every single line item, Members on both sides of the aisle say, we want more, want more.

There is a difference between fiscal responsibility and irresponsibility. For 30 years they ran the House. Let me give an idea. If we pay down the national debt, we spend nearly $1 billion a day on just the interest, so $360–some billion we would have put into the coffers. But if we continue spending like my colleagues on the other side did when they had the majority, the other side of the aisle, then we just keep increasing that debt.

In 1993, when they had the White House, the House, and the Senate, they cut veterans’ COLAs. My own party at one time wanted to cut veterans’ COLAs. We fought that in our conference and defeated it. I think it is wrong. But Members just continue to spend and build up the national debt.

They talk about the President’s budget. We as Republicans brought the President’s budget back last year to the floor. How ridiculous it was. Not many Democrats voted for it. Yet, they say the President wanted $1.2 billion, and we are only putting a $500 million increase, so we are cutting. That kind of rhetoric is what makes it difficult to work here, instead of coming together and helping in veterans’ health care.

I am a veteran, a combat veteran. Most of my colleagues on that side of the aisle know it. The only area which some of those that are blasting us will support is every other area but defense. Watch, there will be a couple of amendments here today to take out selective service.

In time of national emergency, in time of national emergency we are going to need the selective service program not only for biological and chemical weapons that may come forward, but if we end up in a WWII or World War III, that is the only time it would be used.

I ask my colleagues, cut the rhetoric: “Tax breaks for the rich.” Some people believe it, but they know it is ridiculous. Cut the rhetoric: Well, the President’s bill did this. They did not even vote for the President’s budget. Only four Democrats voted for it, so the number is accurate.

Let us sit down and work in a bipartisan way. Let us increase veterans and let us support it, and take this bill on to conference.

Mr. MOLLOHAN. Mr. Chairman, I love to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the gentleman’s amendment. The Department of Veterans Affairs’ medical budget is not the appropriate place from which to fund Department of Justice lawsuits. It funds the Veterans Administration Department’s own legal expenses, and funding Department of Justice lawsuits to the tune of $4 million or even higher, because there is no other legal offsetting or offset funds available for veterans’ medical care.

Mr. Chairman, it has been stated or alluded to that the effect of the restriction placed in the bill, and let me read it, so we can all understand it. None of the foregoing funds may be transferred to the Department of Justice for purposes of supporting tobacco litigation.” The restriction in here only says that none of the funds out of the Veterans Affairs medical budget can be transferred to the Department of Justice for its litigation purposes.

It has been alleged that that has the effect of blocking the Department of Justice’s lawsuit against the tobacco industry. I respectfully disagree with that. It does no such thing. It does not preclude the Department of Justice from moving forward with lawsuits. What it does do, the bill language simply prohibits the Veterans Administration from transferring veterans’ medical care dollars from the VA–HUD bill does one thing, it prevents the Department of Justice from funding Department of Justice from transferring veterans’ medical care dollars to the Department of Justice for its litigation purposes.

I ask my colleagues, cut the rhetoric: “Tax breaks for the rich.” Some people believe it, but they know it is ridiculous. Cut the rhetoric: Well, the President’s budget back last year to the Department of Justice, that department, the Department of Justice has received significant increases during the past decade, as opposed to the Veterans Administration. In 1990, the Department of Justice received $8.8 billion. By 1996, that had risen to over $16 billion, and current year funding is over $20 billion.

The Department of Justice is not an agency that has faced the same restrictive budgets as the VA. It can afford to prosecute this lawsuit without taking money out of the veterans account.

Each appropriations subcommittee must establish its priorities for the agencies under its jurisdiction. Mr. Chairman, let me point out that the veterans organizations are split on this issue, but that the American Legion, while it supports the Department of Justice going forward with its lawsuit, does not support taking health care dollars from the VA to pay for the litigation and thinks it is counterproductive, especially with the growing demand for services by the aging veteran population.

This amendment does not stop any litigation, or this restriction, excuse me. It simply provides that that money will not come out of veterans’ health care.

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

Mr. Chairman, I associate myself with the ranking member and the gentleman from New York (Mr. WALSH), in rising in opposition to this amendment, and I would like to clarify some misconceptions about the language its sponsors are attempting to remove from our bill.

Contrary to some of the Dear Colleagues and other letters that have been circulated, the language in the VA–HUD bill does one thing, it prevents the VA from taking funding from the veterans’ medical care account to pay for lawsuits against tobacco companies.

Our committee language does not, I emphasize, does not prevent the VA from giving the Justice Department money to pursue their lawsuit, so the gentleman’s amendment is not necessary.

Frankly, I am no friend of tobacco, of the industry, but we have not worked so hard on our committee in a bipartisan way to increase the medical accounts over the past 4 years and the VA’s budget on behalf of our veterans to see the administration and the Department of Justice push our veterans
out of the way so they can flog tobacco companies using funding from this and other appropriations bills.

The VA should use every dollar appropriated for veterans' medical care to provide for the men and women who fought our wars, and to “care for him who shall have borne the battle.”

I do not oppose lawsuits against the tobacco industry. I certainly do not receive any financial contributions from them. I do oppose the use of veterans’ medical care dollars to pay for the Justice Department’s lawsuit.

In closing, let me repeat that this language does not prohibit the VA from participating in the lawsuit. Our committee language does protect veterans’ medical care dollars to make sure they are spent today for the reason they were intended, to provide for the 25 million men and women in this country who bore the cost of battle and who have fought to defend our Nation’s freedom.

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

Mr. Chairman, I rise in strong support of the amendment of the gentleman from California (Mr. WAXMAN) and my colleagues and my amendment. This is not about taking money out of the medical care budget. This is about taking money from tobacco companies who have been diverting it to medical care. That is why the Veterans Administration has an opportunity to take money that is owed to them, then to go to court and litigate.

Why is this such a good investment than to expend that litigation money on fighting the tobacco companies? We have seen Attorneys General from across this country litigate and take the lead, before the Federal Government and this Congress, to take the tobacco companies to court? Well, I will tell my colleagues why this is a good investment the nicotine in their products, knowing as a scientist, they were manipulating their product, under oath, did not addict people. They said their product, under oath, was not addictive, was not harmful to health.

Then we found out when we looked at internal documents that, in fact, they knew the dangers and the death and destruction that this product was causing. We are talking about veterans, many of whom started smoking in the 1950s and the 1960s when there were no warnings on cigarette packages then.

There were days when the veterans used to get free cigarettes from the tobacco companies. I wonder why they gave them free cigarettes? We now know that in the 1950s and the 1960s they were conducting studies. They knew of the addictive propensity of their product, and they knew they were addicted people to their product.

It is time that we make the veterans and the Veterans Administration whole. We should get back what is owed to the veterans, what is owed to the Veterans Administration. That is why this expenditure for litigation makes so much sense. Why do you think the tobacco companies lost $246 billion? They were cutting their losses.

We have a great opportunity here to make whole expenditures for veterans health care cost. What a great time to do it, at a time when we are trying to meet our commitment to our world or to veterans for health care, at a time when consolidation is causing anguish among veterans all across the country.

In Veterans Administration facilities, many of these veterans are there because of health-related costs that they got from smoking tobacco, from smoking cigarettes at a time when tobacco companies told them it was not dangerous, at a time when tobacco publicized, coarsened them of the dangerous propensities.

That is why we go to court, that is why we have this civil lawsuit, and that is why we are looking to make whole the Veterans Administration and make whole the veterans of this country and others who were victims. We are talking about representing victims in court.

We have a $4 million litigation account where the Veterans Administration takes and says, where can we make whole our expenditures in health care. How can anybody argue that the proper place for the Veterans Administration, too, to be made whole for health care cost than going after big tobacco.

We have been remiss in not going after the tobacco companies earlier. We have let the Attorneys General take the lead on it. We have let State legislatures all over the country take the lead. Why is this a good investment? Why is this such a good investment the nicotine in their products, knowing as a scientist, they were manipulating their product, under oath, did not addict people. They said their product, under oath, was not addictive, was not harmful to health.

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again, "all steps necessary to recover from the tobacco companies amounts corresponding to the losses that the costs which would be incurred by the Department of Veterans Affairs for treatments." We told them to go get this money.

Support the Waxman amendment.

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

Mr. Chairman, we all recognize that it is politically correct to be able to attack the tobacco industry in its totality today. In the spirit of full disclosure, I will have to admit that I do represent a large number of tobacco farmers. But this really has nothing to do about tobacco farmers.

The Waxman amendment, as has been said by many people before I am speaking, yet with that knowledge, this is true, that under the Waxman amendment, the Department of Justice will be able to take money from the veterans' medical care dollars to finance a speculative lawsuit under the theory of which the Federal Government has never filed one like this before. So that is one reason to oppose this amendment, that it would take veterans medical care dollars to finance the lawsuit.

Now, in September of 1999, the Federal Government filed this lawsuit seeking $25 billion to recover money spent by the Federal military and civilian insurers on smoking-related illnesses. Prior to that, the State attorneys general had filed a lawsuit in which the tobacco companies entered into an agreement to settle for about $246 billion over 25 years.

I would just point out that, in 1999, all of the money that was spent on veterans' medical care in the United States was about $17 billion. In 1999, I think it will also be interesting to know that the legal fees alone in the State lawsuits amounted to almost $12 billion. So there was almost as much money paid in legal fees in that lawsuit as there was spent for veterans' medical care in its totality.

Now, another reason that I would oppose the Waxman amendment is the simple fact that Federal and State governments have known for more than 30 years that smoking does create health risks. Yet, with that knowledge, they all permitted the sale of tobacco products and profited nicely from it, indeed enormously from it from the excise tax. Not only did the Federal Government profit from the excise tax for the sale of tobacco products, but the Federal Government gave cigarettes to its young men and women serving in the military around the world.

So how can now the Federal Government tell tobacco companies that they may lawfully sell a product that the Federal Government knew would cause injury and then turn around and sue the companies for causing the injury that they knew would be occurring.

That is another reason that I would oppose the Waxman amendment.

The final reason I would simply say this, that the Justice Department's complaint is only the most recent, and I am sure it will not be the last effort to use litigation to bludgeon private firms in order to accomplish a prohibition that government could not win in the Congress. So since they cannot win in the Congress, they go to the courts under novel theories of law to collect on something that the Federal Government already knew was harmful and, furthermore, gave it to men and women serving in the military around the world.

So those are four of the reasons that I would ask the Members to oppose the Waxman amendment.

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

Mr. Chairman, we often are on this floor wringing our hands about why the public treats us so contemptuously and thinks so little of us all too often when we know we are here to do the people's work. But every once in a while, a bill comes along that reinforces that low esteem that the American public has for us, and this is one of them. The fact that there is an effort right now, an organized effort to protect the tobacco industry from the lawsuits. That is why I am here to strongly support the amendment of the gentleman from California (Mr. WAXMAN) and others to get rid of this rider.

Now, I have heard the arguments, oh, well the Justice Department can use its own money, or the Justice Department can get it from another fund. But there are all these other efforts going on at the same time which everybody knows are not going to prevent any money, even a single dollar, going.

We have got riders coming up in the Commerce Justice bill. There are riders all over the place that are trying to thwart these lawsuits against the tobacco industry. It would be more credible if it were not for the fact that the veterans are all for these lawsuits going forward, including the American Legion. Four of them have endorsed the Waxman amendment. The Veterans of Foreign Wars, AmVets, Paralyzed Veterans of America, Disabled American Veterans have explicitly endorsed this amendment that would allow these lawsuits to go forward and this small amount of money, relatively small amount of money from a litigation fund to go after the tobacco companies.

Why should we not? Tobacco-related illnesses cost the Federal taxpayers approximately $25 billion a year, excluding the Federal share of Medicaid, excluding the Federal share of Medicaid.

The Medicare program pays $20.5 billion annually to treat tobacco-related illness. The Department of Defense pays $1.6 billion. Indian Health Services pays $300 million. The Veterans Administration pays $4 billion, not $4 million, $4 billion a year to treat tobacco-related diseases.

So why not take a portion of that overall fund, not the fund directly going to services, but the litigation fund to try and get some of that money back?

I will tell my colleagues, I think that the American people understand that tobacco is costing them, it is costing them and their families and their lives, and it is costing their taxpayer dollars. These thinly veiled efforts to protect the tobacco industry are not going to be viewed very well by the American people. We should all stand up together, Republicans and Democrats, because I agree this is not and should not be a partisan issue. We should stand up together and support this amendment.

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

Mr. Chairman, the provision that this amendment seeks to strike reeks of tobacco, it reeks of special interest, and it reeks of injustice. I think that this rider, and of course there has been considerable competition through the years, but it is truly the most disgusting that I have seen since this same crowd came to this same House and snuck into a bill for small business tax relief, $50 billion in a tax credit for the same tobacco industry, so disgusting that once it was exposed, they had to back off and remove the provision.

Indeed, that action is one of the only bits of action that this House of Representatives has taken during the last 6 years to deal with that plague of nicotine addiction that kills thousands every day in this country.

And those who say to the legislative branch instead of the judicial, Americans can look at what has happened in the last 6 years and rightly say that the tobacco industry has a stranglehold on this House. Sometimes we can prevent it from doing more wrong, but we have been totally unable to overcome the tremendous strength of the tobacco industry over the current leadership of this House to do anything affirmatively for the 3,000 children that every day will become addicted to tobacco.

Supporters of this provision have the audacity to say we will not do anything about the children and their suffering from tobacco, and the fact that so many will eventually die from emphysema and lung cancer and heart disease, but we can find it in our schedule and in our hearts to provide more special interest treatment for this same industry. The friends of tobacco have the audacity to stand on this floor this evening and tell the American people that they are not terminating this lawsuit, they are just cutting off the funds necessary to its success.
Let me ask my colleagues if they think Phillip Morris and RJR, and all the other big tobacco companies, are going to spend any funds when they are dealing with any thick-carpet lawyer in the country who will take their dirty money to defend them in this case. No, they are going to have an open checkbook. They are going to spend whatever it takes to obstruct the justice that this case deserves.

I stood next to Janet Reno earlier in the day, with the gentleman from California (Mr. WAXMAN) and leaders of our veterans’ organizations, and heard her say in no unqualified terms that the effect of a vote against this amendment is a vote to dismiss the well-justified claims of American taxpayers against the tobacco industry. The provision that we are voting on tonight is testament to that fact. No, they are not going to spend the dirty money to defend them in this case. No, they are going to have an open checkbook. They are going to spend whatever it takes to obstruct the justice that this case deserves.

I stand today on behalf of our constituents. And I am speaking on behalf of the veterans I represent. I know their national leaders were here today testifying before the Department, but they have spoken to me directly and to many of us across this country, as they are bearing the price for what has happened throughout the decades as a result of their exposure and addiction to tobacco in the call of their military duty. We need to speak for them.

I speak also for other citizens in my district, citizens who are aware and are aroused by the injustices that have been done in this case. This amendment will allow for the continued litigation to recover tobacco-related health costs that have burdened the American taxpayer for many years. The cigarettes that were put into GI rations and unwittingly caused addictions are now being borne by everyone. No other industry will receive unprecedented and unwarranted protection that will never be available to other more responsible companies. So Congress must hold Big Tobacco accountable, and I encourage my colleagues to vote ‘yes’ on the Waxman amendment.

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

Mr. Chairman, I did not plan to speak on this amendment, but I was listening to the discussion back in my office and I thought, how silly do we think the American people are.

I thought it was 62 years ago, I am 72 at the present time, when my mother and father were married. There was no tobacco in this house; it is addictive and it is injurious to your health. That was 62 years ago, and here we stand and we say, boy, people lied to us and we did not know it. Now, my colleagues know that that is nonsense. We have known it for a long, long time.

But I am also surprised when we stand down here and we talk about the cost of tobacco. There is not anyone, probably in this House, who is a leading campaigner against the use of tobacco. One of our young Congressmen when I first came here, a diabetic, a chain smoker, I tried and tried and tried my best to help him break the habit, but he could not and he died very young.

I am amazed when we talk about the cost, when no one talks about alcohol. My attorney general came to me and said, we have to have this money; we have to have this money, boy, the cost to Medicaid and Medicare. And I said, wait a minute, the cost to Medicaid and Medicare, the cost to veterans health? Talk about alcohol. It is only about 10, 12, 15, 20 times as great in relationship to the cost, but it goes way beyond that. Abusive in the home, physical abuse, mental abuse, and on and on and on the list goes. And yet somehow or other we do not take that on because, I suppose, it is socially acceptable; and so we talk about tobacco.

Then someone indicated that, well, tobacco has their hands on the Congress. Well, tobacco may have their hands on some individuals in the Congress, as it does on individuals all over the country, but it has nothing to do with one’s ability to think clearly about the issue. So, again, I just do not understand what it is we are trying to do in relationship to this amendment other than try to confuse the public that somehow or other there are few in
Mr. ALLEN. Mr. Chairman, I move to strike the requisite number of words.

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

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Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words.
Part of me, Mr. Chairman, cannot believe that we are actually on the floor engaged in a debate about whether or not the tobacco companies should be granted immunity against Federal lawsuits. And then part of me realizes that I should not be surprised at all.

Two years ago, the tobacco companies came before the Committee on Commerce and aware that the proposed settlement worked out with the State did not contain immunity for their industry. The CEOs claimed that they wanted to work with us, that it was the dawn of a new era. And yet, at the same time, they hired a public relations firm to develop a cynical $20 million ad campaign to, quote, create the basis for an exit strategy, ideally, that the industry made a legitimate offer that the politicians played politics and made a mess out of it.

Well, their cynical ploy worked. Congress killed comprehensive tobacco legislation after the industry poured millions of dollars into the Republican campaign coffers. Well, Mr. Chairman, they got what they pay for. No comprehensive tobacco legislation. And now let us stop the Justice Department from suing to get back some money for the American taxpayers.

Under the underlying bill that we are debating today, a rider stuck to it will defund the tobacco litigation that the Department of Justice has initiated on behalf of the Departments of Veterans Affairs and Defense and Human Services. In fact, the language in this bill states, in the most direct terms, that no money budgeted for litigation support may be used for the purposes of supporting litigation against tobacco companies.

This is outrageous, Mr. Chairman. The Federal Government spends $20 billion annually for Medicare related to tobacco-induced illness costs. The same thing is true for the VA. The same thing is true for Indian services. All the way down the line.

Now, what a message that this bill sends. It says in court for our seniors who rely on Medicare, no day in court for our veterans, no day in court for our men and women in uniform, no day in court for Native Americans, no day in court for the millions upon millions of Americans ravaged by tobacco-related illnesses.

It is bad enough that the 1997 balanced budget amendment cut so much money out of Medicare, but it compounds the crime immeasurably by then saying that the Federal Government should be unable to collect money from the tobacco industry that can be used for the health care of these ordinary Americans.

Four hundred, thirty thousand Americans die each year from tobacco-related deaths. Four hundred, thirty thousands Americans die each year. One in five deaths in the United States are related to tobacco-related illnesses.

Three thousand kids every single day in the United States take up smoking. Three thousand a day. One thousand of them are going to die from a tobacco-related illness.

The veterans who 30 and 40 and 50 years ago were given packs of cigarettes, they were given, basically, a one-in-three chance of dying from the addiction that would be caused by that free pack of cigarettes which was handed to them. We owe these veterans and we owe all who have suffered from tobacco-related illnesses the right to be able to go to court, the right to be able to say to whom the primary cause of illness in our society that they must pay those families and the Federal Government for what they have done.

We are at the dawn of a new century. One in three babies born in the United States today has any chance of living to the age of 100. We, who hold out so much promise for this country, have it within our power to do something to ensure that there is, without question, the strongest possible disincentive created for the tobacco industry doing in the 21st century what it did in the 20th century to the health of our veterans.
The Medicare program pays approximately $20.5 billion annually to treat tobacco-related illnesses; the Veterans Administration pays in excess of $1 billion per year. The Department of Defense pays $1.6 billion per year. The Indian Health Services pays $300 million a year. In addition, tobacco-related health care costs exceed Medicaid payments by nearly $17 billion a year, of which Federal taxpayers pay nearly $10 billion. Overall public and private payments for tobacco-related care totaled nearly $90 billion in 1997.

Mr. Chairman, to remove VA appropriations for the tobacco litigation hurts our veterans. It is our duty to provide as many dollars as possible for our vets, especially since our government encouraged tobacco use and tobaccoin addiction by our service personnel, not only during World War II but during the Korean War.

Mr. Chairman, I am reading a book now about the Chosin Reservoirs and the heroes that Korean War, particularly the Chosin Reservoir hero, land and instance after instance, when the temperature, was well below zero, often times the only thing they had were cigarettes. Those cigarettes were provided by our government.

Those Korean War veterans are up in years. We should be able to provide for them to be treated in our VA hospital, and, again, not just by the dollars we appropriate, but by the dollars that we can generate from litigation because of their addiction and the diseases that they have because of that.

Again, this amendment is supported by the Veterans of Foreign Wars, Disabled American Veterans, Paralyzed Veterans, and AMVETS; and I think Mr. Chairman, particularly this year, less than 2 weeks ago, we talked about it at our Memorial Day services all over the country, in recognizing our veterans’ contribution that in this year, particularly are recognizing Korean War veterans that the Waxman-Hansen-Meehan amendment should be adopted, and we should remove this provision.

I would hope that no matter what appropriations bill we come to, that we would not tie the hands of the Justice Department to say, no, we need to have tobacco-related lawsuits. Again, it is not our decision it, is up to the judges or the juries ultimately; but it would allow for us to recoup that money to be able to again treat more veterans for hopefully other illnesses that are not tobacco related and thereby provide it back to the veterans’ program next year and the year after.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore (Mr. LAHOD) assumed the Chair.

CONGRESSIONAL RECORD—HOUSE


S. 761. An act to facilitate the use of electronic records and signatures in interstate or foreign commerce.

S. 2722. An act to authorize the award of the Medal of Honor to Ed W. Freeman, James K. Okubo, and Andrew J. Smith.

The SPEAKER pro tempore. The Committee will resume its sitting.


The Committee resumed its sitting.

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

Mr. Chairman, decades of deceit by the tobacco industry has caused Federal and state governments to lose billions for smoking-related illnesses.

The Justice Department is seeking recovery of these funds, as well as injunctive relief to stop the companies from marketing to children and engaging in other deceptive and illegal practices. They need to be able to have the resources for that suit. Now, the beneficiaries of that suit would be the Departments of Health, Education and Welfare, or the Health Care Financing Administration, who has spent so much money on Medicare and Medicaid reimbursement for tobacco-related illnesses, and the Veterans Administration, because so many thousands of veterans have suffered and died from tobacco-related illnesses.

This amendment would say that the Veterans Administration cannot move this money to the Justice Department to prosecute these cases. The idea, the reason, the motivation is so that this suit cannot go forward.

The Veterans Administration spends $4 billion a year treating tobacco-related illnesses. We passed a law, the Medical Care Recovery Act, that says that any costs recovered by the Justice Department would be returned to the Veterans Administration. They desperately need that money. Why would we not seek that money from what is the source, the cause of much of that suffering and death?

This rider is wrong. It should not have been attached to this bill. For decades, tobacco companies have deliberately misled Americans regarding the risks and the harmful effects of smoking while 400,000 people have died each year from tobacco-related illnesses.

As recently as 1998, within the last 2 years, the chairman of Phillip Morris testified under oath and said, I am unclear in my own mind as to whether anybody dies from cigarette smoking-