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

There was no objection.

GENERAL LEAVE

Mr. WALSH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 4635, and that I may be permitted to include tables, charts, and other extraneous material.

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 on the State of the Union for the further consideration of the bill, H.R. 4635.

REQUEST FOR EN BLOC CONSIDERATION OF AMENDMENTS NUMBERED 40, 28, AND 26

Mr. WALSH. Mr. Chairman, I ask unanimous consent that after disposition of these amendments, the House return to the reading of the bill of page 9, line 8.

The CHAIRMAN. As the Committee proceeds further on page 10 the gentleman will be in order in the reading, but at the moment another Member of the House, a member of the committee, is seeking recognition to strike the last word.

After that the Clerk will read to the proper point in the bill.

Mr. PRICE of North Carolina. Mr. Chairman, I move to strike the last word.

I am pleased, Mr. Chairman, to see that a number of Members have recognized that the VA medical research account is underfunded in this bill, and that they want to increase this funding through amendments that we are going to consider soon. The chairman and the ranking member have done a good job under tough constraints on this legislation, but this is one item that we really need to tend to here today. I am glad to see that we will have the opportunity to do so.

I have been a strong proponent of VA medical research, and I offered an amendment during the full Committee on Appropriations markup that would have increased that account by $23 million. I want to take just a minute today to explain why I support increasing the VA medical research account and why it is so important for us to find a way of doing so.

The original request from the VA toOMB was to increase expenditure at $397 million. Outside supporters of the program believe the program should be funded at $386 million. These recommendations are both well above the current bill's level of $321 million.

Most of us have heard about the Seattle Foot, that remarkable artificial limb that has been depicted in television commercials by a double amputee playing pick-up basketball or by a woman running a 100-yard dash. It is not obvious that she has two artificial legs until the camera zooms in at the end of the commercial. The technology for this prosthesis was developed by VA researchers in Seattle.

Research at VA hospitals is important because it is clinical research, and it trains people to care for veterans. The VA research program is unique because it is clinical research, and it trains people to care for veterans. The VA research program is unique because it always affiliated with a neighboring teaching hospital, also treats patients, veterans. The VA research program is the only one dedicated solely to finding cures to ailments that affect our veteran population. It is not interchangeable with other research efforts.

At the Durham, North Carolina, VA, which is affiliated with Duke University, there is a great range of research being done, from working to find a cure for AIDS to finding a shingles vaccine important advances in brain imaging and telemedicine. This work, of course, assists veterans, but it also helps the population at large.

The VA does a great job of leveraging its funds. Dr. Jack Feussner, the Director of the VA medical research program, testified that for every dollar of increase that the program has received over the last 5 years, it has received $3 from other sources. Therefore, if we were to add $50 million here today, it could translate into $92 million more for research.

What will these additional funds be used for? Eleven million dollars is needed just to maintain current services, to keep up with medical inflation. Another $12 million could be used for any number of research projects.

The VA is starting a research oversight program vital to the integrity of the human-based research programs. It could be a model for other federally-assisted research. This program needs $1 million.

To bring the program back to the high water mark of 1998 would take $43 million. Dr. Feussner has listed four areas that would benefit particularly from additional research dollars: Parkinson's Disease, end-stage renal failure, diabetes, and Post-Traumatic Shock Disorder. Additional research into the treatment and cure for hepatitis C would also be looked at carefully.

We also need to increase the commitment to training the next generation of clinician and nonclinician investigators. To keep that program on track would take an additional $10 million.

Now, Mr. Chairman, difficult decisions will need to be made on these upcoming amendments, and there are several of them. They all offer an offset of some sort. Most of the offsets I would not support if they stood alone. But the overall allocation for our VA-HUD subcommittee is just not sufficient, and these difficult trade-offs must be made.

I am hopeful that, at the end of this process, an additional allocation will be available and that we will be able to fund VA medical research at close to $386 million and that any offsets that we adopt can largely be restored. However, it is very important to raise the appropriations level here today for medical research before this bill goes any farther in the appropriations process.

I hope this is helpful, this overview of how these monies might be spent and why we need them. Additional funding for VA research will benefit our veterans and our country, and I hope Members will pay attention closely to the arguments on the amendments to the following.

The CHAIRMAN. Are there further amendments to this section of the bill?
Amendment No. 20 offered by Mr. Filner:

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 20 offered by Mr. Filner: Page 12, line 3, insert the following:

In addition, for “Medical Care”, $35,200,000 for health care benefits for Filipino World War II veterans who were excluded from benefits by the Rescissions Acts of 1946 and to increase service-connected disability compensation from the peso rate to the full dollar amount for Filipino World War II veterans living in the United States: Provided, That the Congress hereby designates the entire such amount as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That such amount shall be available only to the extent of a specific dollar amount for such purposes that is included in an official budget request transmitted by the President to the Congress and that is designated as an emergency requirement pursuant to such section 251(b)(2)(A).

Mr. WALSH. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from New York (Mr. Walsh) reserves a point of order.

The gentleman from California (Mr. Filner) is recognized for 5 minutes.

Mr. FILNER. Mr. Chairman, I have an issue which has been before this House before, an issue of, I think, great moral urgency but financially responsible; and that is to right a wrong that was committed in this country by the Congress of 1946, which took away the veterans' benefits that had been promised to our Filipino allies who were drafted into World War II, fought bravely for this country, and died. Many died. But were ultimately extremely helpful, if not responsible, for our slowing up of the Japanese advance and then our ultimate victory in the Pacific.

What we did to do to these brave men was to take away their benefits after the war, and they have yet to be recognized in this way. Many are in their late 70s and early 80s. Many will not be here in a few years. I think this is an emergency item that ought to be considered by this House.

My amendment would provide $35,200,000 for health care benefits to these veterans of World War II. This is the benefit that they need the most in their twilight years.

Like after all wars, they fought as brave soldiers. They helped to win the war. Many of them marched to their deaths, in fact, in the famous Bataan death march. Yet we rewarded them by taking away their benefits. We owe them a fair hearing. We owe them the dignity and honor of considering them veterans. My amendment would restore just some of those benefits to these veterans.

I think all of my colleagues know that veterans are entitled to, under certain conditions provided by law, certain benefits and certain medical care. But this amendment divides the benefits from the pensions from the medical benefits and says let us at least now, within our budget means, give health care to those brave Filipino soldiers.

My amendment would make available monies for care in this country, a small portion also for our VA clinic in Manila to serve the Filipino World War II veterans and U.S. citizens there alike. What we are saying here is that the honor and bravery of veterans of World War II will finally be recognized by this Congress 54 years after they were taken away.

I would ask this body to recognize the bravery of our allies, the Filipinos who we drafted, provide them with eligibility for benefits, health care benefits that are given to American soldiers who fought in the same war for the same honorable cause.

Now, Mr. Chairman, this amendment is being challenged on a point of order because authorization has not been given. I would make the point that, not only did these veterans earn this benefit in the war, not only are there dozens of programs in this bill that are not authorized, but that, through the regular legislative process, we have not been allowed to bring this bill up.

I ask the floor, I ask the Chair to allow us to finally grant honor and dignity to these brave soldiers, many of whom, as I said, are in their 80s, and finally right a historical wrong of great proportions.

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

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

Mr. BECERRA. Mr. Chairman, let me first begin by applauding the gentleman from San Diego, California (Mr. Filner), for his efforts. I know he has done this over many years, trying to fight for the justice of many of the veterans for World War II who fought under the flag of the United States, in fact fought at the insistence of this country.

Simply put, what the gentleman is trying to do is trying to restore benefits to which these individuals as veterans were entitled to but were stripped of by affirmative action by this Congress back in the late 1940s. But for the action of this Congress, some 50-odd years ago, these individuals would be receiving these benefits that the gentleman from California are now trying to restore.

So I would like to add my voice to the many in this Congress who are supporting this amendment, and I think, unfortunately, at this time is unable to proceed with this particular amendment. I would hope that my colleagues would recognize the efforts of the gentleman from San Diego, California (Mr. Filner), and at some point soon recognize that we may do something about the ladies and gentlemen who fought in the 1940s to defend this country and are now at the point of passing on. It is time for us to recognize their effort and recognize that this Congress some 54 years ago or so denied them the rights that they had under this Constitution.

So I applaud the gentleman for what he does.

The CHAIRMAN. Does the gentleman from New York (Mr. Walsh) continue to reserve his point of order against the amendment?

Mr. WALSH. I do, Mr. Chairman.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the last word. Mr. Chairman, I understand that this amendment may be struck on a point of order. Many of us have been trying for many, many years to get this through, both under Democrat and Republican administrations. I served in the United States military and a large portion of that was in Southeast Asia, eight different deployments on carriers all going through the Philippines, and based there for training. I was also stationed there at San Miguel for some 18 months.

I rise in support of the gentleman's amendment, and I would hope that the conference chairman, in some way, even though this may be struck with a point of order, see that the gentleman is correct, was struck here in some way, and through the United States Government, if these individuals fought on the side of the allies, that we would give them certain benefits. The gentleman from California (Mr. Filner) is not asking even for the full-blown benefits that were promised in his amendment, I understand, but a reasonable version so that the cost is not too high. This does not affect the health care of American veterans; this would actually enhance it.

I hope there is some way that in the conferencing, when additional monies come into the coffers that we can find some way in the conference to support the amendment of the gentleman from California (Mr. Filner).

The Negritos were like the Native Americans to the United States; they were native to the Philippines. They are infamous on their ability to disrupt the enemy's lines during World War II in the Philippines.

The Filipino people, as the gentleman from California (Mr. Filner) mentioned, actually walked in the Bataan death march with us; and many of those people died right alongside of Americans. Many of them died trying to free Americans in hiding and protecting them. They were executed. I mean, there is movie after movie depicting their heroism.

I also want my colleagues to take a look at the involvement of the Filipino
Americans in this country and what they have done for the United States of America. Every university campus is filled with Filipinos. Why? Because they believe in education. They believe in patriotism. They believe in the family unit. There has been no better group to immigrate to this country.

Secondly, the United States Navy for many years used the Filipinos. They would give up their lives, in some cases actually give up their lives, to serve in the military.

During Desert Storm, they would volunteer to serve in the military, even though they were killed, their spouses may have been shipped back to the Philippines, giving their life. We thought that that was wrong also.

But I rise in support, and I would say to the Filipino community—(the gentleman from California (Mr. FILNER)) and the gentleman from Tagalog)—which means I will love the Philippines forever. I was stationed there, so I speak a little Tagalog.

But in this case, the gentleman from California (Mr. FILNER) is absolutely correct. We can work in a bipartisan way to bring about this amendment. It is a very small measure of what we have been trying to do for a long time.

Mr. Chairman, I yield to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Chairman, I thank the gentleman for yielding to me. The gentleman from California is adjacent to me in San Diego. He is a powerful voice for our Filipino American citizens. I thank him. There are no two people I would prefer to have talking on this from the other side of the aisle than the gentleman from New York (Chairman GILMAN) and the gentleman from California (Mr. CUNNINGHAM), and I appreciate the support.

This is an effort. It is a matter of historical and moral righteousness and truth. I so appreciate the statement of the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Chairman, I yield to the gentleman from New York (Mr. GILMAN).

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

Mr. Chairman, I want to commend the gentleman from California (Mr. CUNNINGHAM) and the gentleman from California (Mr. FILNER) for espousing the cause of our Filipino veterans.

Mr. Chairman, I rise today in strong support of this amendment to provide $35.2 million in VA health care benefits for our Filipino nationals who fought with our American troops against the Japanese in World War II.

For almost 4 years, over 100,000 Filipinos of the Philippine Commonwealth Army fought alongside the allies to reclaim our Philippines from the Japanese. Regrettably, in return, what did Congress do? Congress enacted the Rescission Act of 1946. Despite President Truman having approved all of this, that measure limited veterans’ eligibility for service-connected disabilities and death compensation and also denied the Philippine Commonwealth Army the honor of being recognized as veterans of our own Armed Forces.

A second group, the special Philippine Scouts, called New Scouts, who enlisted in the U.S. Armed Forces after October 6, 1945, primarily to perform occupation duty in the Pacific were simply excluded.

The CHAIRMAN. The time of the gentleman from California (Mr. CUNNINGHAM) has expired.

(On request of Mr. FILNER, and by unanimous consent, Mr. CUNNINGHAM was allowed to proceed for 3 additional minutes.)

Mr. CUNNINGHAM. Mr. Chairman, I yield to the gentleman from New York (Mr. GILMAN).

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

I believe it is long past time to try to correct this injustice and to provide the members of the Philippine Commonwealth Army and the Special Philippine Scouts with a token of the appreciation for the courageous services that they valiantly earned during their service in World War II.

Given the difficulty in extending full veterans’ benefits without adversely impacting other domestic veterans programs, health benefits are the most appropriate to extend. With this in mind, the amendment of the gentleman from California (Mr. FILNER), with the support of the gentleman from California (Mr. CUNNINGHAM), provides funding for such benefits which are sorely needed by an aging population of veterans well into their twilight years.

I commend both gentleman from California, Mr. FILNER and Mr. CUNNINGHAM, for supporting this amendment. I urge our colleagues to lend their full support.

Mr. CUNNINGHAM. Mr. Chairman, reclaiming the balance of my time, I yield to the gentleman from New York (Mr. WALSHE) who just spoke, along with those of the gentleman from San Diego, California (Mr. FILNER), as well. Both of the gentleman from California have spoken very righteously about this particular issue.

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And while we know this amendment will be ruled out of order in the next few minutes, it does bear saying.

I do not know if all my colleagues are aware of what we are talking about here, nor perhaps the American people who might be watching; but what we are talking about here is the fact that during World War II Americans encountered a very rough time in the Pacific. There was a point there where it was not clear how the battles would turn and how the war would turn; and in the Philippines, things were tough. It got to a point where our President, President Roosevelt, called upon the Filipino people to come forward and fight under the American flag. In fact, it was an edict. They were to serve under the American flag. And, sure enough, they did, and they did so with honor.

These were individuals from the Philippines who were fighting not just for their country but for the United States of America. They were under the command of U.S. forces. They were under the direction of generals of the United States of America. When they were told to go to battle, it was by American generals; and it was to provide for the security and safety not just of Philippine soldiers but of American soldiers. When many of these Filipino soldiers died, they died under the American flag.

At the conclusion of the war, these Filipino veterans who fought so valiantly were entitled, because they had fought under the flag of the United States of America, to receive the benefits of Americans who had served under our flag. And had everything proceeded as it normally would, these Filipino veterans would have received every single type of benefit that an American soldier received having fought for this country at the direction of this government. But in 1946, Congress affirmatively took steps to rescind those rights that those veterans from the Philippines had. The Rescission Act of 1946 striped Filipino veterans of any rights they had as American veterans.

Last session, this Congress, working in a bipartisan manner, actually restored a modicum amount of those benefits. It allowed some of those Filipino veterans who were in this country, long been here for the last 50-some-odd years, and who actually decided to go back to the Philippines, to retain their SSI benefits, these are folks that are in
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Mr. Chairman, I know we cannot fix this problem here today, but I want the gentlemen to know that we are sympathetic on this issue.

These Filipino veterans enlisted in the United States Armed Services during World War II to fight against the Japanese. At the time, the Philippines were a protectorate of the United States and not an independent country. They fought bravely, at great sacrifice, under the orders of the U.S. military commands, and had every reason to expect full veterans benefits.

For the reasons which I do not fully understand, however, in 1946, the law established for this particular group of veterans a two-tier system with less benefits. In particular, they have less health care and lower rates of disability compensation, even when they now live in the United States.

I would hope that the authorizing committee could look into this situation, and hopefully look into it expeditiously and make appropriate adjustments for these Filipino veterans who fought both for their country and for the United States.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

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

Mr. GEORGE MILLER of California. Mr. Chairman, I want to thank the gentleman very much for his remarks, and I thank the gentleman from California (Mr. FILNER) for the amendment, as well as the gentleman from California (Mr. CUNNINGHAM) for his support, and the others who have spoken on this amendment.

I rise in strong support of this amendment. Unfortunately, I guess a point of order has been raised against it. But I agree, I would hope that the authorizing committee would report the legislation that this gentleman would act on, and the Filipino veterans would get what is in fact due to them under the promises that we have made, and I look forward to working with the others supporting this matter.

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

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

Mr. FILNER. Mr. Chairman, I thank the ranking member for his warm support of this. He is absolutely right.

And, again, the gentlemen from California (Mr. BECERRA) indicated that well over 200 Members of the House signed onto legislation. I would point out to the House that that legislation was for both health care and for pension benefits. So if 209 Members of this body supported a bill which was cost out at roughly $500 million or $600 million, surely this session of Congress could approve just the health benefits at $45 million. I thank the gentleman for his kind words.

Mr. MOLLOHAN. Reclaiming my time, Mr. Chairman, I would just say
Mr. Chairman, I rise in strong support of the Filner amendment. I do not quite understand the legislative precedence which, in some instances, allow appropriation bills to come to the floor with a waiver of points of order which would allow the inclusion of appropriations for matters that have not cleared the authorizing committee. When so many Members of this Chamber support this legislation, it seems to me that a point of order for the party to have come out allowing this amendment to be made to correct this very, very grave injustice that has been permitted to exist for these numbers of years.

These Filipino veterans, if they were aged 20 at the time they were enlisted to help the United States Government, if they were 20 years old today, they are at least 80 or 85. There will not be much more time for this Congress to rectify this injustice, so I plead with the people who are taking this bill over to the other side to give consideration to the emergency of this situation and to find a way to at least provide the health care which the Filner amendment allows this Congress to permit these individuals.

A lot has been said about the sacrifice that these individuals made. I want it to be made perfectly clear that it was 5 months before the Japanese attack that President Roosevelt issued an Executive Order calling upon the Filipino Commonwealth Army into the service of the United States Forces in the Far East. The date was July 26, 1941, long before Pearl Harbor. The Filipino soldiers complied without hesitation. They were part of the United States in their hearts and in their minds.

The Philippines was considered a possession of the United States. In fact, perhaps they had no choice but to agree to enlist and become a part of the U.S. forces. They had grown up under the U.S. rule. They spoke English. They knew a lot about our government and about our democracy. And so when they were called upon to defend this freedom for which we fought and died, they willingly signed up, stood in line and gave of their lives. And it seems to me that the promises made to them at the time that they went into service should be honored.

The fact of the matter is that there is almost a concession that the promises were made. Why else do we have a rescission, which is a cancellation, of benefits that were promised? We do not have a rescission if there is not an acknowledgment that there were promises made and commitments given to these veterans. But, anyway, in 1946, the Congress of the United States passed a rescission bill and took away all possibility that the promises made to the Filipino veterans would be honored by the Government. And that is the shameful act that we are seeking at least partially today to correct.

These veterans are very old. They are in their 80s, 85, perhaps 90s. Many of them live in my district. I see them every time that there is a veterans holiday or a Memorial Day or a gathering in the community, and I know how deeply they feel about this issue. They see the Congress dealing with it, and yet due to some legislative thing there is a point of order and the matter cannot be brought to a vote.

I think it is a very, very sad travesty that we are permitting, through a parliamentary situation, not to bring up to the House of Representatives because I feel sure, as the previous speaker from California indicated, that more than 218 Members of this House would vote for this measure. This is not the full measure that we feel they are entitled to, but it is the most urgent piece of this promise, and that is the health care that they so desperately need.

Many of these veterans have returned back to the Philippines because that is probably the only way that they could be cared for by their families or some friends, or perhaps the health system there would permit them to be cared for.

But for those few thousand veterans that are here in the United States, the delay of a day, a month, a year means a delay in justice and from the long waiting.

So I call upon those who will be working on this matter, taking it to conference and discussing it, not to wait another day but to call the compassion and the commitment and the moral obligation that this country has to these veterans and enact it into law this year.

Mr. Chairman, there are any number of Members who sympathize with the intent of this language. The problem is it is unauthorized. This decision needs to be determined in the committee of authorization. The Committee on Veterans' Affairs, not in the context of an appropriation. And therefore, I insist on my point of order.
Gutierrez amendment No. 28, the Tancredo amendment No. 26, and that they be considered en bloc.

I ask further that after disposition of these amendments that the House return to the reading of the bill on page 9, line 8.

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

Mr. FILNER. Mr. Chairman, reserving the right to object, I just want to clarify that amendments under the Medical Research paragraph are still eligible with the unanimous consent request of the gentleman. Is that correct?

Mr. WALSH. Mr. Chairman, our intention is not to preclude anyone’s ability to comment on these amendments or offer amendments.

Mr. FILNER. Mr. Chairman, I just wanted to see, before I pursue the objection, whether amendment No. 19 would be in order, given this unanimous consent agreement.

The CHAIRMAN. The Chair cannot prejudge an amendment that has not yet been offered.

Mr. FILNER. Then I will have to object. I want to know if it is eligible for offering at the point of line 8, as the amendment requests. I have to ask this, otherwise I will have to object to the unanimous consent request.

I think the intent is to keep my amendment eligible. I just want to make sure that it is.

The CHAIRMAN. First of all, the gentleman from New York (Mr. WALSH) should understand that reading is to commence at page 9, line 4, not line 8.

His request is a bit premature.

Mr. WALSH. Mr. Chairman, I would then, amend that we return to reading of the bill on page 9, line 4.

The CHAIRMAN. The Clerk will read.

The Clerk read, as follows:

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2002, $321,000,000, plus reimbursements.

The CHAIRMAN. There has been no unanimous consent agreement in the Committee, nor is there an amendment pending.

Does the gentleman from New York (Mr. WALSH) wish to offer an amendment or a unanimous consent request?

Mr. WALSH. Mr. Chairman, may I restate my unanimous consent request?

The CHAIRMAN. The gentleman may.

Mr. WALSH. Mr. Chairman, I would ask that I may offer Ney amendment No. 40, Gutierrez amendment No. 28, and Tancredo amendment No. 26, and that they be considered en bloc; and I further ask that after disposition of the amendments the Committee return to the reading of the bill on page 9, line 4.

The CHAIRMAN. Is there objection to the request of the gentleman from New York (Mr. WALSH) for consideration en bloc?

There was no objection.

AMENDMENTS OFFERED BY MR. WALSH

Mr. WALSH. Mr. Chairman, I offer amendments.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments offered by Mr. WALSH:

H.R. 4635

AMENDMENT NO. 40 OFFERED BY: MR. NEY

Under the reading “MEDICAL AND PROSTHETIC RESEARCH” of title I, page 9, line 8, insert (increased by $5,000,000) after “$321,000,000”.

Under the heading “ENVIRONMENTAL PROGRAMS AND MANAGEMENT” of title III, page 59, line 6, insert (reduced by $30,000,000) after “$1,900,000,000”.

AMENDMENT NO. 26 OFFERED BY: MR. TANCREDO

Page 14, line 13, insert after the dollar amount the following: “(increased by $30,000,000)”.

Page 73, line 3, insert after the dollar amount the following: “(reduced by $25,000,000)”.

AMENDMENT NO. 26 OFFERED BY: MR. TANCREDO

Page 14, line 13, insert after the dollar amount the following: “(increased by $30,000,000)”.

Page 73, line 18, insert after the dollar amount the following: “(reduced by $30,000,000)”.

Mr. WALSH. Mr. Chairman, I yield to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, I appreciate the hard job that the distinguished chairman and the members of the committee faced as they drafted this bill. It is a good bill, and I intend to support it.

The amendment has been agreed to by the parties involved. It is about giving our veterans the facilities they need as they grow older and the care that they were promised as they chose to defend the country.

Our bipartisan amendment will restore the State Extended Care Facilities Construction Grant Program funding to the FY 2000 level of $90 million. Currently, the bill cuts the funding in this program to $30 million.

In 2010, one in every 16 American men will be a veteran of the military over the age of 62. That is an amazing statistic. The increasing age of most veterans means additional demand for medical services for eligible veterans as the aging process brings on chronic conditions needing more frequent care and lengthier convalescence.

This surge of older veterans will undoubtedly put a strain on our Nation’s veterans' health services. At the current pace of construction, we will not have the necessary facilities to meet veterans’ extended care needs.

The Veterans Millennium Health Care Act, passed by this House and signed into law in 1999, places new requirements on State care facilities that must be funded immediately. With the ranks of those requiring VA care growing on a yearly basis, States already face huge financial burdens in helping to care for our veterans.

Finally, State care facilities are cost effective. In Fiscal Year 1998, the VA spent an average of $255 per day on long-term care nursing home care for residents, while State veterans homes spent an average of $40 per resident. This economic trend continued in 1999.

Mr. WALSH. Mr. Chairman, I yield to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Chairman, this is an important amendment. It is about nursing home care for our veterans.

Unfortunately, when the administration came forward with its budget this year, they proposed a significant cut in State grants, granting States to provide veterans nursing homes.

As we have seen growing need, as particularly our veterans of Korea and Vietnam and World War II-era veterans need nursing home care, there is tremendous demand, and State care facilities operated through the State of Illinois and others have proven cost effective.

The VA spends on average $225 a day for care for long-term nursing care residents, whereas State nursing homes provide about $30 a day. They are effective and they provide quality care.

I am proud to say that in Illinois we have four veterans homes. Two are in the district that I represent. One of them, the LaSalle Veterans Home, has a waiting list 220 veterans, veterans having to wait as long as 18 months in order to obtain nursing home care. Imagine that, if they need nursing home care and they have to wait 18 months. That is an eternity for veterans.

Other veterans homes in Illinois, Manteno is owed a million dollars for its compliance with ADA. The State of Illinois is owed $5 million for other home updates. The bottom line is this money is needed.

I want to salute the gentleman from New York (Chairman WALSH) for accepting this amendment. I also want to salute my friend, the gentleman from Colorado (Mr. TANCREDO), for his leadership in fighting for veterans.

The bottom line is this legislation deserves bipartisan support. Let us support our veterans. Let us ensure the dollars are there to ensure nursing home care for our veterans and their needs.

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

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

Mr. Chairman, I want to briefly discuss the amendments that the chairman proposes to merge here. I want to
begin by expressing my agreement with the premise of these amendments that the Veterans Medical Research account and the VA Grants Account for extended care facilities are both underfunded.

Two of the amendments in this unanimous consent request, those of the gentleman from Illinois (Mr. GUTIERREZ) and the gentleman from Ohio (Mr. NEY), would together increase the VA Medical Research Account by $30 million.

As I said before, VA research has been widely praised for its quality and medical advances. Indeed, this Congress has clearly demonstrated its interest in medical research, specifically in the National Institutes of Health, which received a $2.2 billion increase last year, an increase of over 14 percent.

We should be doing the same for VA medical research. And although these amendments do not get us to that point, they are a good start.

In addition, the amendment of the gentleman from Colorado (Mr. TANCREDO) would increase the State Grant Account for the construction of extended care facilities by $30 million, for a total of $90 million, the same level as was enacted for Fiscal Year 2000. The need for extended care facilities is great, and this increase will help meet that need.

All that being said, I do have concerns regarding the offsets of these amendments. One offset would take $25 million from NASA's Human Space Flight Account. It is a small cut relatively, but I am a bit apprehensive about making any cuts to this account, particularly at a time when we are literally months away from establishing a permanent human presence in the Space Station.

This account also funds the Space Shuttle Program, and reductions could either force delays or cuts in the mission manifest or, even worse, force cuts to important shuttle safety upgrades planned by NASA.

The other NASA offset is also somewhat distressing. It would take $30 million from NASA's Science Aeronautics and Technology Account.

This account funds almost all of NASA's activities other than the Space Shuttle and the Space Station, such activities as space science, aeronautics, earth science and NASA's academic programs.

This account was also the only NASA account in this bill to receive less than the President's request. Mr. Chairman, NASA's budget has been cut for years and this amendment cuts an already anemic account.

Finally, the last of these amendments would take $5 million from EPA's operating programs account, which includes just about all the agency's activities other than science research and Superfund. Although this is a very small cut, the relevant account dropped 14 percent below the President's request.

All that being said, I supported the gentleman's unanimous-consent request and the acceptance of the underlying amendments. I do look forward to working with the chairman and the other body in conference to restore the NASA and EPA funding as we move forward.

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

Mr. Chairman, I rise today for an amendment that I believe is critically important to the health and well-being of our veterans and to the future of the VA health care system. I urge all of my colleagues to stand with me in support of our amendment and make a strong statement of support for an effective, cost-efficient, and important program, the VA medical research program.

Unfortunately, the appropriation bill before us calls for no increased funding, zero, in the VA medical research program. Given inflation and increased program needs, this amounts to a significant reduction in the amount of work and research the VA will be able to perform. This is a shortsighted and extremely damaging budget decision.

Few government programs have given our Nation a better return on the dollar than VA medical research. The VA has become a world leader in such research areas as aging, AIDS-HIV, women's veterans health, and post-traumatic stress disorder. Specifically, VA researchers have played key roles in developing cardiac pacemakers, magnetic source imaging, and in improving artificial heart valves.

The first successful kidney transplant in the U.S. was performed at a VA hospital and the first successful drug treatments for high blood pressure and schizophrenia were pioneered by VA researchers. Quite simply, VA medical research has not only been vital for our veterans, it has led to breakthroughs and refinement of technology that have improved health care for all of us. Given this record of accomplishment with a very modest appropriation, the reduced commitment to the VA medical research budget is unjustified and unwise.

At the proposed level of funding, the VA would be unable to maintain its current level of research effort in such vital areas as diabetes, substance abuse, mental health, Parkinson's disease, prostate cancer, spinal cord injury, heart disease, and hepatitis. In fact, research projects currently in progress would be put in jeopardy.

I urge my colleagues to join these veterans advocacy groups and please support the funding. It is effective, it is necessary, it is reasonable, and our veterans deserve it. I hope Members will stand with me in support of VA medical research.

Mr. Chairman, I would like to thank the gentleman from New York (Mr. WALSH) for including this amendment in the en bloc package that he has offered to the House and to wish him a belated happy birthday.

Mr. NEY. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I also want to thank the gentleman from New York (Mr. WALSH) for including my amendment in the en bloc.

My amendment reduces the EPA's program and management budget which is $1.9 billion by $5 million and transfers the dollars to medical research. The VA's account in this section encompasses a broad range of things, including travel and expenses for most of the agency. I believe the EPA can tighten their belts on some
travel to the tune of $5 million so that our veterans can continue to receive the medical care that they need and deserve.

With passage of Public Law 85–857 in 1958, Congress gave official recognition to a research program with a proven record of contributing to the improvement of medical care and rehabilitation services for the U.S. veteran. The law formally authorized medical and prosthetic research in the VA and led to the establishment of four organizational units, medical research, rehabilitation research and development, health services research and development, and the cooperative studies program.

There are over 75 some groups which I have listed here that, in fact, support the increase for VA medical research. I want to thank the gentleman from New York for his indulgence to support the veterans.

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

Mr. Chairman, I believe with the allocations made by the leadership, and I appreciate the $30 million additional in terms of nursing homes for veterans, but still we need $30 million to take care of existing costs. I feel compelled to speak out on this amendment which would inadequately fund the State Veterans Home Program. It is imperative that the veterans and their families be able to be taken care of in the twilight of their years.

Getting the funding increase is only the first step. While I am primarily concerned about the dire need of these homes in Texas, veterans all across the country need these services. The key to strong recruitment into our military is a strong commitment to helping veterans throughout their life. On behalf of the nearly 1.7 million veterans in Texas, I want to boost this appropriation for the Department of Veterans Affairs’ grants for construction of State extended care facilities to $140 million for fiscal year 2001. The $30 million would only give us $90 million. We need $90 million additional to bring us up to $140 million to be able to take care of existing costs.

This increase of $80 million, if you add $80 million to your request from the VA, was recommended by both the chairman and the ranking member of the House Committee on Veterans’ Affairs in their letter to the House Committee on the Budget expressing our views and estimates of the House Committee on Veterans’ Affairs.

I look forward to working with the gentleman from New York in securing necessary resources to fund this crucial program which is very important. Providing for the long-term health care needs of veterans remains one of our most important commitments to those who have served our Nation. I feel that providing this stepped up level of funding for 2001 sends a strong signal to our veterans and their families across this country that Congress is committed to serving veterans in the twilight of their years.

Texas has only received 3 percent of the funding from these types of programs in the past since its inception even though we have over 7 percent of the Nation’s veterans. As they get older and are in more need of nursing home care, we must be there for them and be able to provide that service. Texas has been a newcomer to this program, and we have not taken advantage of it in the past which provides funding for State nursing homes for veterans.

We have begun construction of four sites in Texas. Those sites are in Floresville, Texas; Temple, Texas; Bonham, Texas; and in Big Spring. The reality is that the way it is structured now, Texas will not be entitled to a red cent, to not a single penny of the resources that are there unless we go beyond the existing resources because of the wording that we have for renovation and not for new construction.

I am hopeful that we can continue to work on this to provide the additional resources that are needed. Once again, it was unfortunate the administration had only recommended $80 million. Your $30 million will bring it up to $90 million. We really need to look in terms of bringing it up to $140 million to meet the needs. That is one of the recommendations that was made from our committee.

I want to ask the committee to please consider the possibility of increasing these resources beyond the $30 million that is there before us.

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

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RYAN of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Chairman, it is no secret that our veterans population is aging. In fact, in 2010—over half of the veterans population will be over the age of 62. Currently, 36 percent of all veterans are over the age of 65 and that number is expected to increase exponentially over the next eight years.

The increasing age of most veterans means additional demands for medical services for eligible veterans. This surge of older veterans will undoubtedly put a strain on our nation’s Veterans Health Services.

The House and Senate approved $90 million in funding for the State Extended Care Facilities Construction Grant Program for FY99 and FY00. This year, however, the Committee has funded the program at $60 million—$30 million below last year’s funding. The Nation’s budget would increase funding for these States Care Facilities by $30 million to the fiscal year 2000 level of $90 million.

Last year, 354 Members of Congress voted to support our aging veteran population by voting for a similar amendment to restore funding the State Nursing Homes Construction Grant Program in the VA–HUD Appropriations Fiscal Year 2001. This amendment must be offered to prevent a massive, 33 percent cut in funding to this vital, cost-effect program for our veterans.

The Veterans Millennium Health Care Act, passed by the House and signed into law in 1999, places new requirements on state care facilities that must be funded immediately. With the ranks of those requiring VA care growing on a yearly basis, states already face huge financial burdens in helping to care for our veterans.

In fiscal year 1998, the VA spent on average $255.25 per day to care for long term nursing care residents, while state veterans homes on average spent $40.00 per resident. This economic trend continued in 1999—proving that state care facilities are in fact cost-effect.

Mr. Chairman, taking care of our nation’s veterans is clearly one of the government’s prime responsibilities Congress has a track record of supporting veterans program as we have increased the President’s request for VA funding for several consecutive years now.

At the current pace of construction, we will not have the necessary facilities to meet veterans’ extended care needs. The State Nursing Homes Construction Grant Program is an important program that meets our veterans health care needs. I urge my colleagues to support this amendment.

Mr. WELDON of Florida. Mr. Chairman, I rise in opposition to theTancredo amendment and to the Gutierrez amendment. I would like to say straight out, though, that I certainly am very sympathetic to the idea of plussing up these veterans accounts. I believe I have the fourth largest number of veterans in my congressional district and the veterans in my congressional district have been historically very underserved. I believe the gentleman from Texas just related a very similar story to what has gone on in Texas and many other Sunbelt States that have not been receiving the appropriate amount of veterans care for their communities.

My objection is based on the issue of cutting funding out of NASA. NASA, unlike most Federal agencies here in Washington, has actually seen its budget decline in real dollars over the past 8 years. NASA from the time period of about 1982 to 1992 saw its budget double and then over the past 8 years of the Clinton administration, it has actually gone down by several hundred millions of dollars.

When we factor in inflation on this, it is actually about a 30 percent reduction in the purchasing power of the agency. I would like to point out to my colleagues because there have been many eloquent comments about the need to pluss up veterans research, the funding that has gone to NASA has played a critical role in enhancing our breakthroughs in medical technology and medical research. I would just
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point out to my colleagues who much of the technology that goes into current pacemakers currently employed by hundreds of thousands of veterans, the technology used in scanning, MRI scanning, CAT scanning, the technology used in cardiac catheterization, many of the material sciences that goes into the prosthetic devices which some people are talking about today, it is all actually a spin-off from our space program.

So what we are really talking about doing here is the proverbial borrowing from Peter to pay Paul. We have an agency that has been cut year after year and now for the first time we are actually talking about plussing it up. I think it would be very, very inappropriate for us to go into this agency. There are many other places in this bill where we could find the appropriate reductions to be made. I would certainly hope that if this amendment considered en bloc passes that the subcommittee chairman and the full committee chairman work in the conference process to get these NASA reductions plussed back up. I would like to also point out that some of this money that is being cut is going for flight safety for our shuttle program, which is very, very critical to making sure that the Space Station program succeeds.

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

Mr. WELDON of Florida. I yield to the gentleman from Texas.

Mr. RODRIGUEZ. I thank the gentleman for yielding. This amendment will basically require, or almost make it assured that the 30 Members from Texas will have to vote no despite the fact that we feel very strongly about the need for nursing homes because they are taking it from NASA and not only cutting it from NASA, but in addition to that $30 million that is going to nursing homes, none of that with the exception of $10 million would be qualified to where we could even begin to participate because we cannot even get that first $30 million for Texas for nursing homes. So not only are they taking the money from us, but we are not going to be able to benefit from that, either.

Mr. WELDON of Florida. Mr. Chairman, reclaiming my time, I would just like to point out to my colleagues here that my congressional district has no veterans nursing home, even though it has needed one for years; and I certainly would support increasing funding for veterans nursing care, veterans medical research. I just object to the place where these reductions are being made.

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

Mr. Chairman, I rise in strong support of this amendment, the Tanscredo-Weller-John-Ryan-Hilleary and others amendment to the VA-HUD Appropriations bill. I want to personally thank the gentleman from Colorado (Mr. TANCREDO) for his work on this issue that is so critical to our Nation’s veterans across America.

Mr. Chairman, veteran State homes are the most cost-effective programs in the Veterans Administration. These homes receive Federal funding of 65 percent for construction costs and the remainder is provided by the different States. Once the home is constructed and ready to go, the Veterans Administration pays on an average only $40 a day for its patients. However, the other long-term facilities drain the Veterans Administration of some $250 per day.

This amendment would save the Veterans Administration lots of money, about $30 a day to support this long-term health care for our veterans. This amendment will prevent a massive 33 percent reduction in the State Nursing Home Construction Grant Program at a time when the number of elderly veterans are dramatically rising.

Mr. Chairman, in just a very, very few short years, half of the veteran population of this Nation will be over the age of 65, and we must have the facilities to provide them this quality care. There is already a long list of States on a waiting list for these homes. In fact, many of the States have already appropriated dollars and allocated funds for these homes. Yet Washington has failed to uphold its end of the bargain.

This is a win-win situation for the Federal Government and for our Nation’s veterans. By agreeing to this amendment, we will renew our commitment to America’s veterans.

Our amendment maintains, does not increase, and maintains the past 2 years’ level of funding of $90 million in order to ensure our continued investments in our veterans health care facilities. If you remember, Mr. Chairman, last year, a similar effort to increase funding for this account, was supported by over 350 Members of this Congress.

Mr. Chairman, I support the increase of $30 million as provided in the Tanscredo amendment, and I urge my fellow Members of this Congress to support this much needed amendment to help out the people that have helped us out so many times, the veterans of America.

Mr. Chairman, I rise in support of the Tanscredo, Weller, John, Ryan, Hilleary amendment to the VA–HUD Appropriations Bill.

I would personally like to thank the cosponsors for their work on our amendment, especially Mr. TANCREDO. This is a critical issue to our nation’s veterans.

As you know, Mr. Chairman, Veteran State Homes are one of the most cost-effective programs within the Veterans Administration, and there is an ever-growing list of grant requests from states working to fulfill the health care needs of our veterans. While I appreciate all the difficulties associated with constructing this bill, I cannot help to ignore the needs of our senior and disabled veterans.

State Homes receive federal funding for 65 percent of the construction costs, and the remainder is provided by the state. Once the home is providing care, the Veterans Administration pays an average of $40 per day for patients. However, other long-term nursing facilities drain the Veterans Administration of over $250 per day. By comparison, the State Extended Care Facilities Program saves the federal government approximately $200 per day per veteran.

This amendment will prevent a massive 33 percent reduction in the State Nursing Homes Construction Grant Program at a time when the number of elderly veterans is dramatically increasing. In a few years, half of the veteran population will be over the age of 65, and we must have facilities available to provide quality care. There is already a long waiting list for state veterans homes, and we cannot prolong this necessary action.

Mr. Chairman, this is a win-win situation for the federal government and for our nation’s veterans. Many states have already approved and allocated funding for their homes; yet Washington is failing to uphold its end of the bargain. By agreeing to this amendment, we are renewing our commitment to this successful federal-state partnership.

I need not remind this body that this Congress and our President acted decisively in improving the quality of health care when we passed the Veterans Millennium Health Care Act last fall. Just as that bill improved the quality of care that our nation’s veterans receive, so then this amendment would ensure that those veterans have adequate facilities through which such care can be rendered. More simply, we must not fall short on our commitment to our nation’s veterans by not building the facilities that provide for their care. Our amendment will maintain the past two years’ funding level of $90 million in order to ensure continued investment in our veterans’ programs.

Last year, a similar effort to increase funding for this account was supported by 354 Members of this House. Once again, we have an opportunity to address an inadequacy in VA funding by leveraging much needed, scarce federal resources in a very successful program.

I support the increase of $30 million as provided in the Tanscredo, Weller, John, Ryan, and Hilleary amendment, and I urge that my fellow Members join me in adopting this amendment.

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

Mr. Chairman, it is unusual that I follow my colleague, the gentleman from Louisiana (Mr. JOHN), because the gentleman and I normally are of the same mind. Maybe the river that separates Texas and Louisiana might have more than that.

Mr. Chairman, I rise in reluctant opposition to the amendment. While I appreciate the gentleman’s efforts to increase funding for a number of important satisfactory veterans programs, I
Mr. Chairman, this discussion and the amendments show a couple of things about the processes which we are undergoing in discussing this bill. Number one, it shows that everybody agrees that there are accounts in the veterans budget that are underfunded, and the chairman of the committee seems to agree that we should plus-up the research account in this bill by $30 million, plus-up the construction of the State veteran homes by $30 million, and I support that and would go even further.

It also makes the point that many Members are caught up in a conundrum here. The absurdity of our rules where we have to do something good in order to do something good in the veterans budget, we have to do something bad in the space budget. This at a time when we have surpluses.

I do not think the public understands why we should go through such an exercise that we have to cut $50 million out of the space program in order to fund $50 million in the veterans accounts when we have the money to do both, and this is what we should be doing.

We should be plussing-up the account in research, as an amendment I had on the floor to do. We should be plussing-up the account for the State veteran homes, which I have an amendment to do, without having to take from NASA.

My colleagues, we all know, we all know we have the money to do this. This is an absurdity. This is a game we are playing here that puts us in very low esteem with our constituents who say, when the gentleman from Florida said he represents the place where they have the fourth highest veterans and he also is strongly in support of the space station, his constituents have to say: well, why not do both, and they are right.

We should be doing both, and though I support the plus-up of $30 million in the State veterans home account, I would have to underline what my colleagues from Texas said, this does not allow us to make up for previously approved projects and projects that have already been approved by their States which, with appropriated funds, we cannot make up that backlog with this plus-up.

We need an additional $50 million more. The amendments are absolutely right in that we need these plus-ups, and I am glad the chairman of the subcommittee understands that we were falling behind in those accounts and this House has caught up, but I need to point out the absurdity of the rules we are under, which force us to take money from another account which is absolutely vital also to our future as a country.

Mr. Chairman, I would urge somehow that the Committee on the Budget and the Committee on Appropriations would put us into realistic situations without forcing us to make these kinds of choices which are not mandated by the reality of our funds today.

Mr. FILNER. Mr. Chairman, I move to strike the requisite number of words.
back by ensuring them a secure and stable future.

Mr. HILLEARY. Mr. Chairman, first I would like to commend Chairman WALSH for the hard work he and his staff put into crafting such an excellent bill. I would also like to thank him for including this, as well as the other important amendments in his en bloc request. For the second year in a row, he has made astounding and much needed increases in many veteran’s programs.

Today I rise in support of this amendment to increase the funding for the veterans state-extended care facilities. These facilities in my opinion are imperative to the mission of providing quality health care to those who dutifully served our country.

These veterans homes are the largest provider of long-term nursing care to our veterans. They enable the Veterans Administration to ensure quality nursing care to veterans that cannot receive proper treatment through any other means. Many of the men and women who served our country are bedridden due to service-related injuries. It is these veterans that the state-extended care facilities will serve.

Not only are these homes, nursing care units and hospitals necessary for proper care, they are also cost effective. If a veteran is forced to go to a private nursing home, the VA will reimburse that home on average $150 dollar per diem. Contrast that with the approximately $51 dollar per diem reimbursement to the State veterans homes for the same care. The same care for approximately one-third of the cost. I think you will agree that for this reason alone we should vigorously support these facilities.

Even with the Tancredo, Weller, Johns, Ryan, and Hilleary amendment enacted, we will fall short of the funding commitment we have made to the States. The Federal Government has agreed to fund 65 percent of the construction costs for the state-extended care facilities. At this time, many States have already appropriated their share of the construction costs.

Aside from the current $126 million backlog of work due to years of underfunding, the Federal Government could be responsible for over $200 million in additional construction money, if all pending applications, as well as those that were grandfathered in under the Veteran’s Millennium Health Care Act, are approved. Even with this amendment, we may still owe various States across the Nation up to $236 million.

There are approximately 10 million veterans over the age of 65. Our almost 67 million World War II veterans continue to require extensive health care that we are proud and obligated to provide. This country and the VA must be adequately prepared through proper funding to handle the challenge of ensuring the best possible care for the men and women who bravely served this Nation.

I ask that we strongly support this amendment.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to this amendment.

Being fiscally responsible sometimes means making tough decisions. The gentleman from Colorado’s amendment presents one such choice. It requires us to choose between spending more money to help states construct extended care facilities for veterans versus funding NASA research programs at the appropriate level.

Certainly, we own our veterans a great debt, and nursing home facilities for men and women who served this country are important. But I urge my colleagues to remember that H.R. 4635 already provides funding for this grant program. So even if this amendment fails, these grants will still be available for veterans’ care.

I oppose this amendment because I believe it sacrificers one of our Nation’s most important investments in order to achieve the amendment’s goals. This investment, in science and engineering research, is critical to developing the technologies and know how that save lives, strengthen the economy, and help keep our defenses strong and our troops protected. Veterans are alive today because of past investments in science. Don’t we owe the veterans of tomorrow the same advantages? I think we do, which is why I oppose the amendment.

Investments in research and technology rarely pay off right away—certainly they cannot compete with the construction of a new building in terms of clearly recognizable short-term accomplishments—but they do pay off. The evidence for long-term payoffs from research and technology investments is impressive.

The research programs this amendment would take away from represent part of this long-term investment in research and technology. I urge my colleagues to protect them, and to vote “no” on the amendment.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the gentleman’s amendment.

NASA’s science programs are a critical component to enabling many of the technological breakthroughs that all of us enjoy. The importance of research and development and scientific discovery allows us to maintain a technological edge that cannot be overstated. NASA in partnership with industry, academia, and other federal agencies perform research and develop technology which is fundamentally important to keeping America capable and competitive. Our nation’s economic growth and prosperity are tied more closely than ever to technological advancement. We must ensure that NASA gets the funding necessary to continue to maintain America’s leadership in technology.

The White House’s recently released report on Federal R&D investment challenges the Congress to “demonstrate strong bipartisan support for R&D” and “instead of slashing science and technology, we should accelerate the march of human knowledge by greatly increasing our investments in R&D.”

It took Congress five years to convince the Administration that past cuts to the space program were counterproductive. Now that the Administration has seen the light, I hope Congress will maintain its past commitment to science and technology by rejecting this amendment.

The amendment proposes to cut $23 million from NASA’s Human Space Flight program. Although the amendment appears to save money by reducing a program’s budget, in reality it only increases costs in the future by stretching out the program and delaying the scientific results and advances that the research promises.

I must continue to make investments in research and development, so that everyone will benefit from the discoveries and innovations which will improve our quality of life. I urge my colleagues to oppose the Gutierrez amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York (Mr. WALSH).

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

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

The CHAIRMAN. Pursuant to House Resolution 525, further proceedings on the amendments offered by the gentleman from New York (Mr. WALSH) will be postponed.

Pursuant to a previous order of the House, the Clerk will resume reading at page 9, line 4.

The Clerk read as follows:

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 96, to remain available until Sept. 30, 2002, $321,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities, $62,000,000 plus reimbursements: Provided, That technical and consulting services offered by the Facilities Management Field Service, including project management and real property administration (including leases, site acquisition and disposal activities directly supporting projects), shall be provided to Department of Veterans Affairs components only on a reimbursable basis, and such amounts will remain available until September 30, 2001.

DEPARTMENTAL ADMINISTRATION GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, $1,006,000,000: Provided, That of the funds made available under this heading, not to exceed $50,000,000 shall be available until September 30, 2002: Provided further, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act.

AMENDMENT OFFERED BY MR. WAXMAN

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

The Clerk read as follows:

AMENDMENT OFFERED BY MR. WAXMAN

Under “Department of Veterans Affairs, Departmental Administration”, on page 10, line 18 after the number $1,006,000,000, insert: (increased by $1,000,000,000 authorized by law; decreased by $4,000,000 from general administrative expenses)
Mr. WAXMAN. Mr. Chairman, last night we spent several hours debating the tobacco rider in this bill. As I explained, this rider defunds the VA lawsuit against the tobacco industry. I offered an amendment last night that would have allowed the VA to use funds from the VA medical care account to pay for the lawsuit. In opposing my amendment, I heard Member after Member say that they were not opposed to VA’s tobacco litigation, rather they were just opposed to the source of funding.

My amendment today addresses this point. It lets VA fund the litigation from its general operating expenses, such as salaries and travel, not the medical care account.

Let me just quickly review the situation. In 1998, Congress voted to stop cash payments from that VA medical account from tobacco-related illnesses. As part of the Transportation Equity Account, Congress decided these payments could be better used paying for highway projects than to support our veterans. This was a bigger blow to our veterans.

To lessen the impact on veterans, Congress told the VA and the Department of Justice to sue the tobacco industry. We promised that we would support this litigation and that if any funds were recovered, we would devote them to paying medical care for veterans.

Now, we were very clear when Congress voted to take away the cash payments to veterans for tobacco-related illness. We promised veterans we would help them recover from the cigarette manufacturers the costs of treating tobacco-related illnesses.

The administration did what we asked them to do in 1998. The VA and the Justice Department filed a suit to recover expansion expenses incurred by the Veterans Administration in treating tobacco-related illnesses. And under the legal provisions they are using, the Medical Care Recovery Act, all the money recovered will go back to the Veterans Administration, just as Congress urged.

This amendment that I am now offering, I think, meets the objections that were raised last night. The funds will not be transferred out of the VA medical account, even as we tried to limit it last year. Instead, it will come from the funds appropriated by the Veterans Administration as well.

I know that the chairman of the appropriations subcommittee thought this was unnecessary, because he thought the Veterans Administration had the authority to do this, but we want to make it very clear that those funds will be available for this lawsuit, and I am addressing the main argument that I heard last night that our amendment was objectionable, because it took funding from medical care for veterans.

I hope that this amendment will be acceptable to the majority, and I would hope that they would agree with us and permit the lawsuits to be funded that I think will have enormous benefits for the veterans and for the taxpayers of this country. On that basis, I ask your support for the amendment.

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

Mr. Chairman, we had some discussion on this yesterday, about 31/2 hours’ or 4 hours’ worth; and we tried to make the point over and over that veterans’ medical care funds were sacrosanct.

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We were not going to those precious funds to be used for anything other than what they were intended.

So when the gentleman came back with an amendment that talked about using administrative funds, I have no objection to that amendment. We believe the amendment is superfluous. It really is a tautology. The amendment really is not necessary. We made that point again and again, that it is the medical care funds that we were protecting in the bill.

Our language specifically denotes medical funds. It may not be used. All other funds within the bill are open and available. There was no prohibition, no restrictive language on any of those other 17 areas of funding.

So the gentleman’s amendment makes administrative funds available for the Justice Department lawsuit. We believe in effect they already are. The practical upshot of this is the Veterans Administration will have to come back to the Congress and ask for a reprogramming of those funds, and I would have no objection to that.

So, for those reasons, this side is prepared to accept the gentleman’s amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do not rise to be argumentative, and I am very grateful that the gentleman has accepted the very wise amendment of the gentleman from California (Mr. WAXMAN), and I do want to add my support to it.

Mr. Chairman, let me also acknowledge that I wish to briefly comment on the previous amendment that was offered en bloc by the gentleman from Illinois (Mr. GUTIERREZ), the gentleman from Ohio (Mr. NEY), the gentleman from California (Mr. FULFER), and I believe the gentleman from Colorado (Mr. TANCREDO), to offer my opposition to the expenditures of funds on the amendment that would take monies out of the human space flight and other space programs, noting that those programs have been particularly efficient.

I comment on that particular amendment because the debate has been in this bill on the cutting of funds across the board. I think that is what defeated the Waxman amendment yesterday, which was the thought we were taking money out of the veterans health care. I simply want to say this bill overall is bad because it cuts everyone, and we have enough money to be able to fund these important programs under the VA–HUD bill.

So I am hoping that we will have a bill ultimately, though I applaud the work of the committee, that will fund the various programs as they should, veterans health care, human space flight, NASA science aeronautics and technology, EPA programs and other programs that my colleagues would desire to support.

I support the Waxman amendment, and I oppose the previous amendment that was discussed.

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

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

Mr. WAXMAN. Mr. Chairman, I appreciate the gentlewoman’s support and the willingness of the chairman of the subcommittee to work out this issue so that we have this amendment before us today. I just want to note for the record that it is not my understanding that this will require a reprogramming of funds. We believe that this amendment authorizes the use of those funds. That may have to be determined later. I do want to note we may have a disagreement on the consequences.

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

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

Mr. WALSH. Mr. Chairman, there is some confusion about exactly how this would come back. If it was in the budget request, then it would be clearly not subject to reprogramming. I will be willing to work with the gentleman as we go down the road on this issue. But, as I said, I have no objection to the gentleman’s amendment.

Mr. MORAN of Virginia. Mr. Chairman, tobacco use kills 430,000 people a year. That’s more than the number who die from murder, suicide, AIDS, alcohol and all illegal drugs combined.

The number of people suffering from tobacco-related illnesses today is in the millions. A great many of these deaths are attributable to deliberate congressional action over the years of subsidizing tobacco companies financially through farming, marketing and export.

The Congress gave support and credibility to the public statements of tobacco companies that smoking tobacco wasn’t harmful.

And perhaps the most culpable congressional act was to include cigarettes in the package of sea rations and authorized supplement. That provided our soldiers, sailors and airmen.

We encouraged our brave, strong, patriotic servicemen to smoke cigarettes. We instructed them to “light ‘em if you had ‘em”—and of
course because we supplied them, most of them had em.

And now the very same soldiers are now paying the price of that official policy. They're suffering from emphysema, cancer of the lungs, and the larynx, and the mouth and the throat.

Well, the decades of deliberate deceit by the tobacco companies has finally been exposed.

But they've already made their millions selling cigarettes to the military, they've made their billions selling to the American public and they're still making billions marketing an instrument of death and suffering to the rest of the world.

But what of our veterans who sacrificed their lives to serve their country. Those strong, brave soldiers are lying in homes and hospitals, suffering ignominious suffering and death. They're paying the real price of corporate deceit and congressional consent.

Why shouldn't those tobacco companies at least pay for some of the price of those trusting soldiers' health care?

This amendment says they should. We protect tobacco companies from the legal means of making them responsible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. WAXMAN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk reads as follows:

NOTHING IN PAYMENTS ADMINISTRATION (INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of the National Cemeteries Administration, not otherwise provided for, including uniforms or allowances therefore; for cemetery expenses as authorized by law; purchase of two passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, $106,889,000: Provided, That travel expenses shall not exceed $1,125,000: Provided further, That of the amount made available under this heading, not to exceed $28,000 may be transferred to and merged with the appropriation for "General operating expenses".

OFFICE OF INSPECTOR GENERAL (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1976, as amended, $46,464,000: Provided, That of the amount made available under this heading, not to exceed $28,000 may be transferred to and merged with the appropriation for "General operating expenses".

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction of or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with the projects provided for under this heading, operating expenses for the projects, and the processing of contracts: Provided further, That funds provided in this appropriation for fiscal year 2001, for each approved project, shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2001; and (2) by the awarding of a construction contract by September 30, 2002: Provided further, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: Provided further, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, or extending any project which was approved in the budget process and funded in this account until 1 year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction of or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with the projects provided for under this heading, operating expenses for the projects, and the processing of contracts: provided for under this heading, operating expenses for the projects, and the processing of contracts: provided for under this heading, operating expenses for the projects, and the processing of contracts: Provided further, That none of the funds made available under this heading may be transferred to any other of the mentioned appropriations.

For the parking revolving fund as authorized by 38 U.S.C. 1904, Income from fees collected, to remain available until expended: Provided, That except for advance planning of projects (including payments of health care needs which may or may not lead to capital investments) funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been approved by the 60 day review in the budgetary process: Provided further, That funds provided in this appropriation for fiscal year 2001, for each approved project, shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2001; and (2) by the awarding of a construction contract by September 30, 2002: Provided further, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: Provided further, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, or extending any project which was approved in the budget process and funded in this account until 1 year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 1904, Income from fees collected, to remain available until expended, which shall be available for all approved projects.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing State nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131-8137, $60,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by 38 U.S.C. 2408, $25,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS (INCLUDING TRANSFER OF FUNDS)

SEC. 101. Appropriation for fiscal year 2001 for "Compensation and pensions", "Readjustment benefits", "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2001 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3101.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of veterans (except in connection with the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901-7904 or 42 U.S.C. 1411-1415, unless reimbursement is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2001 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 2001.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2001 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act (12 U.S.C. 1811 et seq.), and such obligations are from trust fund accounts they shall be payable from "Compensation and pensions": Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2001, that are available for dividends in that program after claims have been paid and actuarially determined.

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2001, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1220), the Veterans' Special Life Insurance Fund (38 U.S.C. 1920), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2001, that are available for dividends in that program after claims have been paid and actuarially determined.

SEC. 108. (a) Notwithstanding any other provision of law, during fiscal year 2001, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1220), the Veterans' Special Life Insurance Fund (38 U.S.C. 1920), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2001, that are available for dividends in that program after claims have been paid and actuarially determined.

SEC. 109. (a) Notwithstanding any other provision of law, during fiscal year 2001, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1220), the Veterans' Special Life Insurance Fund (38 U.S.C. 1920), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2001, that are available for dividends in that program after claims have been paid and actuarially determined. 
CONGRESSIONAL RECORD—HOUSE
June 20, 2000

any amount received or collected by the Dep-
artment of Veterans Affairs Medical Care Fund
shall be deposited in the Department
of Veterans Affairs Medical Care Fund, to
be maintained in accordance with section
1282A(c) of title 38 United States Code:
(1) Section 1710B of title 38 United States
Code.
(2) Section 1722A(b) of title 38 United
States Code.
(3) Section 8165(a) of title 38 United States
Code.
(4) Section 113 of the Veterans Millennium
Health Care and Benefits Act (Public Law
(b) Provisions of law referred to in sub-
section (a) shall be treated as provisions of
law referred to in subsection (b) of section
1722A(b) of title 38 United States Code, for
purposes of subsections (d), (e), and (f) of
that section during fiscal year 2001.
SEC. 109. In accordance with section 1557 of
that title 31, United States Code, the following
obligations shall be made from chapter
IV of chapter 15 of such title and shall remain
available for expenditure until September 30, 2003:
(1) funds obligated by the Federal
Department of Veterans Affairs for a con-
tract with the Institute for Clinical Research
to study the application of artificial neural
networks to the diagnosis and treatment of
prostate cancer through the Cooperative
DoD/VA Medical Research program from
funds made available to the Department of Veterans
Affairs by the Department of De-
fense Appropriations Act, 1995 (Public Law
103–335) under the heading “Research, Devel-
opment, Test and Evaluation, Defense-
Wide”.
(2) As HR LINK$ will not be part of
the Franchise Fund in fiscal year 2001, funds
budgeted in customer accounts to purchase
HR LINK$ services from the Franchise Fund
shall be transferred to the General Adminis-
tration portion of the “General operating ex-
penditures” appropriation in the following amounts:
$76,000 from the “Office of Inspect-
ger General”, $358,000 from the “National
Cemetery administration”, $1,106,000 from
“Medical care”, $84,000 from “Medical admin-
istration and miscellaneous operating expen-
ditures”, and $38,000 shall be reprogrammed with-
in the General Administration expendi-
ture from the Veterans Benefits Ad-
ministration to General Administration for
the same purpose.
SEC. 110. Not to exceed $1,600,000 from the
“Medical care” appropriation shall be trans-
ferred to the “General operating expenses” appropriation to fund personnel services
and administrative support for the Office of
General Counsel.
SEC. 112. Section 9005 of Public Law 105–33,
SEC. 113. None of the funds in this Act may be
obligated to acquire, lease, construct, or sub-
contract with non-Federal entities to provide
telemedicine services, or in any other manner,
engage in new initiatives, or imple-
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Amendment No. 38 offered by Mr. Mollohan:

Page 23, strike the provisos that begin on lines 6, 12, and 16.

Page 24, after line 19, insert the following:

For imcremental vouchers under section 8 of the United States Housing Act of 1937, $595,000,000, to remain available until expended: Provided, That of the amount provided by this paragraph, $66,000,000 shall be available for use in a housing production program in connection with the low-income housing tax credit program to assist very low-income and extremely low-income families.

Page 25, line 1, after the dollar amount, insert the following: (increased by $200,000,000).

Page 25, line 19, after the dollar amount, insert the following: (increased by $127,000,000).

Page 27, line 23, after the dollar amount, insert the following: (increased by $30,000,000).

Page 28, line 24, after the dollar amount, insert the following: (increased by $43,000,000).

Page 30, line 20, after the dollar amount, insert the following: (increased by $395,000,000).

Page 35, line 16, after the dollar amount, insert the following: (increased by $215,000,000).

Page 35, line 17, after the dollar amount, insert the following: (increased by $5,000,000).

Page 36, line 13, after the dollar amount, insert the following: (increased by $80,000,000).

Page 37, after line 5, insert the following new item:

AMERICA’S PRIVATE INVESTMENT COMPANIES
PROGRAM ACCOUNT

For the cost of guaranteed loans under the America’s Private Investment Companies Program, $57,000,000, to remain available until September 30, 2003, of which not to exceed $1,000,000 shall be for administrative expenses to carry out such a loan program, to be transferred to and merged with the appropriation under this title for “Salaries and Expenses”: Provided, That such costs, including the cost of modifying loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is guaranteed, not to exceed $1,000,000,000.

Page 37, line 12, after the dollar amount, insert the following: (increased by $14,000,000).

Page 37, line 13, after the dollar amount, insert the following: (increased by $90,000,000).

Page 38, line 2, after the dollar amount, insert the following: (increased by $24,000,000).

Mr. WALSH. Mr. Chairman, I reserve a point of order against the gentleman’s amendment.

The CHAIRMAN. The gentleman from New York reserves a point of order.

The gentleman from West Virginia (Mr. Mollohan) is recognized for 5 minutes.

Mr. MOLLOHAN. Mr. Chairman, this bill unfortunately represents a series of missed opportunities, and housing is one of the areas in which those missed opportunities are most severe. The amendment I am offering proposes to alleviate some of the most serious shortfalls by adding just over $1.8 billion to the HUD title of the bill.

In saying this, I am not saying what is needed. I mean no criticism of the gentleman from New York (Chairman Walsh) and others involved in putting this bill together. They did the very best they could with the resources available to them. Indeed, the chairman and his staff have included some useful and innovative provisions that will do real good, such as the language allowing increases in the payment standard for Section 8 housing vouchers in areas with tight rental markets and high rents.

The basic problem for this bill is simply the majority party’s budget plan provides insufficient resources for overall domestic appropriations, mainly in order for Section 8 vouchers and other programs that will do real good, such as the language allowing increases in the payment standard for Section 8 housing vouchers in areas with tight rental markets and high rents.

My amendment contains no offsets. There really are not places in this bill with excess funding that could be diverted to other purposes. I understand my amendment is subject to a point of order, and I will withdraw it at the appropriate time. My purpose in offering the amendment is simply to encourage a debate about the levels of funding that are necessary and appropriate for housing programs.

Housing is an area where national needs seem to be more acute, despite the booming economy. Yes, more people have jobs than before and incomes are rising, but in many areas rents are rising faster than incomes. People working at modest wages are often finding it harder and harder to keep a roof over their family’s heads.

HUD’s latest report on housing conditions tells us that a quarter of Americans live in very low-income households with worst case housing needs; that is, households with incomes below 50 percent of the local median who are paying more than half of their income for rent and receiving no housing assistance whatsoever. Even housing vouchers are not sufficient coverage.

For example, the bill provides funds for about 100,000 additional housing assistance vouchers as proposed by the administration to try to make at least a small reduction in the number of families with worst case housing needs. That is what this amendment does, Mr. Chairman. It provides funds for about 100,000 additional housing assistance vouchers.

Vouchers alone, however, are not enough. There is also a need for programs to help stimulate production of low-income housing. Ultimately, we may need some new programs in that area. As an interim step, my amendment puts a bit more money into those housing production programs that are in place, the home block grant for local governments, the Section 202 and Section 811 programs that finance development of housing for low income elderly and disabled people, and the Nativ American Housing Block Grant, just for example.

We should also remember the key role played by public housing. My amendment adds a bit for public housing capital grants to help chip away at the $22 billion backlog in public housing modernization needs, and gives operating grants a 4 percent increase to help cover rising utility and payroll costs. It provides a 4 percent increase for Community Development Block Grants, instead of the $295 million dollar decrease in the bill. The amendment also funds the administration’s AFIC initiative, as recently agreed to by President Clinton and Speaker Hastert.

Unfortunately, that agreement between the Speaker and President Clinton is not funded.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. Mollohan) has expired.

(By unanimous consent, Mr. Mollohan was allowed to proceed for 1 additional minute.)

Mr. MOLLOHAN. Mr. Chairman, the increases in my amendment are fairly modest. Most programs would still be smaller than they were 6 years ago after inflation adjustment. We’ve removed from the bill several, such as housing for the elderly and the disabled, and homeless assistance, would remain below where they were 6 years ago in actual dollar increases for HUD. Those increases are largely illusionary, Mr. Chairman. They reflect the fact that the subcommittee found less authority to rescind this year than last, and that old, long-term Section 8 housing assistance contracts have been expiring and now require new appropriations just to continue the old levels of assistance. When you remove those accounting factors, you find that essentially all HUD programs in this bill are either flat or decreased a bit. Now, that makes no sense.

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American dream. But very often, in order to build equity and get a piece of the economic assets, the number one asset about 90 percent of society’s assets, is the asset of wealth. Most others in this society are not wealthy and most others in this society which creates a lot of problems. We have seen the gap between the very wealthy and the rest of society, what we try to do is to take the rough edges off what would otherwise be a Darwinian capitalism and try to make capitalism safe for human participation. The way we do that is not by stifling entrepreneurship; the way we do that is by trying to recognize that there are certain basics that humans need no matter how lucky they are. One of them is a decent education, another is protection from environmental abuse and corruption, a third is the right to decent health care when they need it, and fourth is the need for shelter.

Now, we have seen one thing in this society which creates a lot of problems. We have seen the gap between the very wealthy and most others in this society grow at an astronomical rate. We see at this point that the wealthiest 1 percent of people in our society own about 90 percent of society’s assets, economic assets. The number 1 asset which most families strive for is to own a home so that they can begin to build equity and get a piece of the American dream. But very often, in some of our own neighborhoods, the very prosperity that is experienced by some of our most fortunate citizens operates to reduce the ability of some segment of our society to even gain decent shelter.

Example: in some neighborhoods, the ability of those who have done very well in our society, to be able to afford to pay for anything they want, means that they raise tremendously housing costs in certain neighborhoods, they drive whole groups of people out of neighborhoods, and they make the costs for those who stay much, much higher. It is the job of government to try to mitigate that. That is what this bill is inadequate in doing.

The gentleman from West Virginia has laid out in specific programmatic terms what some of the problems are in this bill. I would simply say that the problems that the bill aims to solve, to build equity, to build ownership. People who own a stake in their neighborhood, rate and a high work ethic is housing ownership. People who own a stake in their neighborhood, that is housing, that this Nation supports, rather than considering the tax cuts. The priorities of the budget resolution are simply upside down when they provide for tax cuts for wealthy Americans and do not provide resources for the most needy in our society.

Mr. OBEY. Mr. Chairman, reclaiming my time, I very much agree with the gentleman. I would close by saying just one thing. We talk a lot in this Congress about generational inequities. One of the worst things we do to the younger generation is to make it harder for them to buy that first house. I know that when I was first married, my wife and I were able to afford a house only because she cashed in her teacher retirement fund. We had the $900 that it took to get a down payment.

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

By unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, there are not very many young couples today who can afford to buy a house for $900. I can see it in many of the young couples who I talk to back home during the weeks that I am back home, and I can see their frustration when they continually fall just short of being able to afford a first home or when rising interest rates put just out of reach that home that so many people desire.

It is very clear when we look at some of the sociological studies that one of the key ingredients to having a stable society and a society with a low crime rate and a high work ethic is housing ownership. People who own a stake in this economic are quick to try to protect that economy and the society that has made it possible. That is why I would urge the majority to review the final decisions in this area.

The CHAIRMAN. Does the gentleman from New York continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

Mr. WALSH. Mr. Chairman, I move to strike the requisite number of words. I do insist on my point of order. I would like to explain briefly on the matter of the point of order. First of all, the expenditures that are suggested are not offset, and that is, in the parliamentarian offset here, offset. The idea is that if we offer expenditure changes...
within the bill, we have to provide funds to back them up, to transfer funds from one account to another. This amendment does not comply, and it does not provide those funds.

There is also additional new authorization in the amendment. As the Chairman knows, this is the Committee on Banking and Financial Services. The authorizing committee, the Subcommittee on Housing of the Committee on Banking and Financial Services should pass that legislation on to us and then we appropriate the funds. This has not been accomplished.

So for those reasons, I believe this amendment is out of order.

On the issue of Section 8 housing vouchers, I would just like to make a couple of points. We have appropriated $13,275 billion for Section 8 housing vouchers, $1 billion above last year. No matter how much money we provide, the administration wants more. No matter how much money our side is willing to spend on any item, the other side is always ready to spend more. But these expenditures need to be based on reality. Part of the reality here is that the Department of Housing and Urban Development has been providing billions of dollars for housing vouchers for poor people, and by the way, the Section 8 program initially was sponsored by people on this side of the aisle. We think it is a good program. As we reduce this amount it is harder and harder to get incremental vouchers to take up the slack, people go out and they find an apartment, and the government helps to subsidize the cost of that apartment for people with low incomes. It works pretty well, if it is administered properly, but right now, Mr. Chairman, it is not being administered properly. Mr. Chairman, 247,000 vouchers that we appropriated and provided for; that Congress provided for have gone begging; 247,000 American families that those vouchers could have assisted are not getting them. My good friend and colleague pointed out that HUD had a study that there are millions of Americans that need these vouchers, and yet, HUD is not complying with the law. They are not providing those individuals those vouchers.

That is what we appropriate these funds for. When those funds do not get spent, what has happened in the past is that the administration then comes back and says, “Aha, we have money laying around that did not get spent, and as history would show, that is what will happen, new said, those views funds must also be used for an additional 10,000 vouchers. We think that is what these funds were for.

So I would reserve my point of order against the amendment and await the ruling of the Chair.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I stand to support the Mollohan amendment, and having come from an area such as the one I represent, many of the arguments that I hear regarding housing I have to refute many times because of my experience in working with low-income people.

I think that our chairman and our ranking member have done a very credible job, Mr. Chairman, at the level of the subcommittee funding. But there are numerous funding problems in the bill which I have alluded to before.

The one that I have specific interest in at this point is the lack of funding to help the poorest of the poor people obtain decent housing. I want Members to look at this picture and put a face on it, as I have to almost every day in my district. That is, we are living in the midst of one of the greatest economic prosperity that this Nation has ever had, but even this economic boom has created a housing crisis for many Americans.

Because of the population growth, many of the problems we have heard our very fair chairman, the gentleman from New York (Mr. WALSH) talk about must be viewed from the point of view of putting a face on this problem.

Let us look at vouchers. In terms of these housing authorities having enough vouchers, I think that the chairman has a point there, but what the chairman has not realized is that many of the large urban areas like Miami and some of the other areas cannot get enough vouchers to meet the need because some other areas have the vouchers and are not using them. We cannot get them to the people in Liberty City as much as we should.

Whenever there is any kind of crisis there, when the sewers run over and when there is a crisis regarding housing, we cannot get the number of vouchers that we need. We cannot get them because they have utilized all that they had. The other thing is that we must realize that there is a crisis in housing. We are not just dealing with pious platitudes here, we are dealing with real live people who do not have housing. There are over 5 million families who pay more than half of their income in housing.

We are told all the time, and we hear this all the time, that housing assistance is important to this affordability problem. We believe that. But these incremental vouchers are not what they are conceived to be.

First of all, when we hand a poor person a voucher and tell them, look, go and find someplace to live, that is not as easy as it sounds here on this floor. It is very, very difficult. There are many people who I am hearing from every day in my district. Some people over on this aisle do not want any more middle- and low-income people coming to those areas. We have to fight that. The other thing is, rental housing is hard to find in some of these areas.

So I want Members to look at this picture that I am talking about because it paints a new face on this problem of vouchers. Vouchers work, but the average waiting period for a Section 8 voucher is about 2 years. There is a backlog in the cities, the large urban areas I have spoken about.

In virtually every urban area in this country people making the minimum wage cannot even afford a medium-priced apartment. Rental housing vouchers make that possible and they do it by putting in private sector housing.

Yet, the bill fails to fund the President’s request for 120,000 additional incremental housing vouchers. Despite the claims, it is debatable whether or not this bill would provide HUD with any new vouchers to help our families find safe, decent, and affordable housing. The bill as written claims to allow HUD to provide up to 20,000 additional vouchers, but we think this is just funny math, Mr. Speaker, or what we call creative accounting, because these additional vouchers are only funded in the bill through overly rosy and optimistic estimates of recaptures of un-used Section 8 funds.

HUD will only have these vouchers available if the Department recaptures more funds than the amount HUD itself says can be recaptured. According to what I have learned, Mr. Speaker, HUD does not even expect these recaptured funds to be available.

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

Refusing to provide these additional incremental housing vouchers means that families will have to continue to live in substandard housing, housing that is overrun by roaches and rats and vermin. We can do better in this country. We are a very prosperous country. I appeal to the committee to accept the Mollohan amendment. It is a credible amendment.
and made about the housing vouchers, and that our bill turns its back on those most in need. However, it is not this bill or any Department of Housing and Urban Development itself which has, through its own dinosaur-like behavior, contributed to the very housing crisis that some have ascribed and attributed to Congress.

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Mr. Chairman, this appropriations bill as it comes before us exemplifies a very dangerous trend in America, and we have been manifesting it in various ways in this House.

We are at a time of great prosperity. The free market system as it works in this country with the cooperation of so-called government, of the private sector, obviously, of labor unions, that private sector is generating wealth at a rate unheard of in human history.

That is a very good thing. A large percentage of our population is living in material terms better than we ever thought such a large number of people could live. But that very fact, as the gentleman from Wisconsin and others, the gentleman from Florida, have pointed out, exacerbates the problem for those among us, and they are in the millions, who through no fault of their own are not the beneficiaries of this prosperity.

Alan Greenspan has acknowledged that trade, globalization, helps some Americans and hurts others, not because of their inherent worth or lack of worth but because of where they were placed in the economy.

So we have a situation where, in many of the metropolitan areas in this country, it has become more and more expensive to live. That reflects the fact that a large number of people who want to live in those metropolitan areas have more and more money, but it also means that those who do not have money, and they number in the millions, the tens of millions, are disadvantaged.

In this bill, in other appropriations bills, in immigration legislation, in tax legislation, in public policy area after public policy area we help the wealthy, which is a good thing. That is part of our job, to help people who are productive and able to do better, and we do that well; but we at the same time turn our backs on people at the low end.

People wondered, how come there was such a debate over China trade? Because there are so many economists and financial sector people, that was an easy one. Why is there resistance among America’s historically generous people to globalization?

One is why, because when we have a situation in which the rich get richer and the poor and working class gets poorer, that is a problem. It is not simply that the rich are getting richer and the poor are not getting richer at the same rate. We are talking about real drop in people’s incomes if they are in basic manufacturing. We are talking about people living in cities for whom housing prices have gone out of sight, who have to move out of areas where they already live, who cannot find decent housing at an affordable cost only if they have to pay far too much money.

Mr. Chairman, it is not simply housing. We have had a big debate on Section 8. I agree there are Section 8s that do not get used. I will tell the Members why in the area I represent, many cannot find decent housing at a Section 8, why they cannot get it. Why, I think, is because the people who live in those units which were created by Federal funds are so fond of their housing that they put pressure on Members of Congress,
so Members of Congress who voted against the program, who voted against funding the programs, vote to keep the programs so people can continue to live there.

We have housing programs that are not perfect, but they do a very important job of trying to alleviate the severe economic distress of tens of millions of our citizens who are not participating in the general prosperity.

When we bring forward a bill that says we will do less of that this year in real terms than last year in the face of this great prosperity, we are not serving the basic values of the country. So I hope the amendment is adopted.

The CHAIRMAN. Does the gentleman from New York (Mr. W ALSH) continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, as the chairman knows, I have an ongoing concern regarding the adequacy of HUD’s programs for providing housing for the mentally ill. This year the committee is recommending level funding of $201 million for the Section 8-11 disabled housing program, and this is $9 million below the administration’s request. These funds provide housing for both mentally and physically disabled people.

The administration’s request estimated that 5,454 new housing units for the disabled would be available with this increase in funds. Would the chairman kindly tell me how many new units of housing for the disabled would be available with the committee bill?

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

Ms. KAPTUR. I yield to the gentleman from New York.

Mr. WALSH. Mr. Chairman, let me thank the gentlewoman for offering this colloquy and for her service on the subcommittee. She does a great job. I think I am back in form.

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

Mr. Chairman, as the chairman knows, I have an ongoing concern regarding the adequacy of HUD’s programs for providing housing for the mentally ill. I have for years been pushing for the passage of the Lanham Act to create a national plan for the prevention and treatment of mental illness, and I am pleased that the committee has provided less money for this purpose.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman from New York (Chairman WALSH) very much for his leadership on this issue and so many others.

The CHAIRMAN. Does the gentleman from New York (Mr. W ALSH) continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

Ms. KAPTUR. Mr. Chairman, do you have a point of order; and, frankly, it should not be because we are in one of the most prosperous times that we could ever be in both the last century and in this century.

I would venture to say, if we took some of the most prosperous cities in America, we would still find individuals who are unhoused, who are in need of funds particularly utilized in programs of HUD.

HUD is one of the largest agencies, and it has one of the largest cuts in this appropriations process. Although we had requested the FHA loans, which certainly are meritorious, and the renewal of existing section 8A subsidies, my colleagues, however, on this appropriation on this subcommittee has provided less money for the housing programs than we have seen over the years.

I believe that it is time that we acknowledge the prosperity and to function with that. We do not have funding for empowerment zones. We do not have funding for new markets. We do not have funding for APIC. The section 8 that we do fund can afford to have more dollars. The good news is that section 8 vouchers can be utilized for buying housing.

What greater opportunity for those who are working and have less opportunities for them to take the dollars that were previously for rental subsidies to be able to buy a home.

But if we continue to cut and undermine the housing subsidies that are given through the Federal Government, then we continue to emphasize that those who cannot meet the market cannot buy in the market because their income does not allow them to do so, a continuously increasing market, then we will not provide for them; they just do not get housing.

I believe inadequate housing is indicative of many things: dysfunctional families, children moving from place to place, children not having a home school, if you will, a school that they go to on a regular basis because they are living with relatives because their family members cannot afford decent housing.

I do not believe that, in this most prosperous time, that we commend ourselves well as a body that has a responsibility for funding programs that help the least of those if we do not provide the adequate funding.

The billion-dollar amendment that the gentleman from West Virginia (Mr. MOLLOHAN) offers that spreads out through a variety of HUD programs answers the needs that we have and particularly the needs of those who are not housed.

A recent study on housing needs found that more than 5.3 million low-income families do not receive any Federal housing assistance at all. We must ensure that these families receive the help that they need, and mostly because they are low-income working families and they do not meet the status or the standards or there is not enough money to assist them.

We can only do that if funding meets that need. By funding HUD by less than the President requested, we cannot possibly accomplish this goal. But more importantly, even if we underfund what the President has asked for, we are underfunding this
agency in great amounts, generally speaking, because there are large numbers of people who are still on waiting lists for public housing assistance and for section 8 certificates and for elderly housing.

So I would commend the gentleman from West Virginia (Mr. MOLLOHAN) for realizing that, in prosperity, we must always do more; we must accept the question or answer the question, can we do more. Yes we can. We can do more with the housing that most of the people in America would support when they find that people cannot get the housing that they need.

I am disappointed that we have not gone the extra mile. I would think that those who are in need would likewise challenge us to do more than we have done. Our elderly, our people who are unhoused, as participants in the Corporations' upside community services and become better disciplined, eliminates the national debt, extends the solvency of Social Security and Medicare, American people.

The President's FY 2001 Budget is based on a sound approach that maintains fiscal discipline, eliminates the national debt, extends the solvency of Social Security and Medicare, provides for an appropriately sized tax cut, establishes a new voluntary Medicare prescription drug benefit, and funds critical priorities for our future.

H.R. 4635 severely reduces our ability to address basic issues like poverty and the shortage of affordable housing and undermines investments in our communities. The elimination of funding for the Americorps program would deny over million young and impressionable Americans the opportunity to provide community services and become better citizens, as participants in the Corporations' upside community services and become better disciplined, eliminates the national debt, extends the solvency of Social Security and Medicare, American people.

The measure increases spending for VA programs (6 percent more than the current level), NASA (1 percent more) and NSF (4 percent more), but it cuts EPA, FEMA and other vital programs. This bill is lacking in basic funding needs that are critical to the American people.

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I am very disappointed that the legislation increases spending for merely two HUD programs—FHA loans and renewal of existing section 8 certificates and for elderly housing. Utilizing advance appropriations next year's budget and various gimmicks to give the impression that there isn't enough money to fund basic priorities is inconsistent with the needs of the American people. The reality is that we have a historic opportunity to continue our commitment to housing as a basic need. The funding in this legislation measure that adequately meets the needs of those that have been left behind in the New Economy.

A recent study on housing needs found that more than 3.3 million low-income families do not receive any federal housing assistance at all. We must ensure that these families receive the help they need, and we can only do that if funding meets that need. By funding HUD by less than 8 percent than the President requested, we cannot possibly accomplish this goal.

Economic growth has done little to solve the housing problem in America. During the early part of the 1980s, the United States faced a slowing economy and worsening housing affordability. Even in the 1990s, the economy grew at a healthy pace; yet housing affordability for the poor continued to deteriorate. Today, housing needs are so acute that they are painfully visible in the neighborhoods of every major city in the United States, as the homeless have become a persistent part of our daily lives.

Although no requests for specific requests in congressional districts are permitted under the rule, we should recognize that the housing shortage in America continues unabated.

I have requested $35 million for the Supportive Housing Project for rental assistance to low-income families in Houston; $2 million for the Single Room Occupancy program which provides homeless persons in Houston with a private room to reside in, as well supportive services for health care, mental health; and job training; and $300 million for the Housing Opportunities for Persons with AIDS program that provides states and localities with resources and incentives to devise long-term, comprehensive strategies for meeting the home needs of persons with AIDS and their families.

We cannot afford to forget those in our society who are not reaping the rewards of this economic boom. Housing is a critical component of keeping America's families first.

Compared to current levels, the bill decreases funding for public housing modernization (3 percent), revitalizing severely distressed public housing (2 percent), drug elimination grants (3 percent), the CDBG program (6 percent), “brownfields” redevelopment (20 percent), and the HOME program (1 percent).

Moreover, the measures provides no funding for urban and rural empowerment zones, welfare-to-work vouchers, the Moving to Work program or communities in schools. What are we saying here today as a collective body? Are we saying we don't care about those in poverty-striken areas? Should we ignore the hopes and fulfillment of dreams that the empowerment zones have shown in certain areas? We can and we should do better, Mr. Speaker.

I am also disappointed that this measure would prohibit the Veterans Administration from transferring any medical care funding to the Department of Justice for use in the government's lawsuit against tobacco companies. This is merely a partisan tactic to distract debate from how to spend the federal budget on ongoing litigation by the Department of Justice, which has nothing to do with the underlying measure. Such riders make little sense and will erode the value of funding critical programs for our future.

Despite the shortcomings of this bill, there are some commitments that have been secured and need to be preserved. Our ability to reach the stars is an important priority, which will ensure that America remains the preeminent country for space exploration. Last year, NASA's budget was needlessly cut and I support every effort to increase funding during the FY 2001 appropriation process. Although this measure is destined to be vetoed in its current form, I believe the $13.7 billion appropriation, $322 million (2%) less than requested by the administration, could have been even more generous.

The measure provides $2.1 billion for continued development of the international space station, which is so vital to so many people in our country and many in my own Commonwealth of Massachusetts.

In closing, I hope my colleagues will vote against this legislation so that we can get back to work on a bill that invests in America's future, especially to strengthen our resolve to make affordable housing a reality across America.

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I favor very much the amendment of the gentleman from West Virginia (Mr. MOLLOHAN). I hope it passes. But, Mr. Chairman, the VA-HUD appropriations bill that we are considering is really seriously under-funded. It is underfunding so many programs which is so vital to so many people in our country and many in my own Commonwealth of Massachusetts.

In this time of economic prosperity, it is important to remember where many people who are still struggling to get by every day, what is going to happen to those people and those who need the housing programs to put a roof over their heads.

Mr. Chairman, not everyone in this Nation is so lucky to own dot-com stocks. Not every family has seen the tremendous financial windfall that the Nation's booming economy has created.
This bill severely cuts housing programs by $2.5 billion less than President Clinton’s requested amount. Nearly every program in HUD’s budget is cut from the President’s request.

I just cannot figure out why my Republican colleagues would not choose to fully fund affordable housing, which is so critical to so many people in our country. Contrary to the belief of some of my colleagues, the HUD budget is not increased. In fact, this year’s VA-HUD appropriations bill turns its back on the need for affordable housing. While the administration has requested 120,000 new section 8 vouchers, this bill does not include a single new voucher.

Community Development Block Grants, which are used to rebuild housing, improve infrastructure, and provide job training, among other things, are cut by almost $300 million.

Mr. Chairman, this bill cuts the HOME program, which helps local governments expand low-income housing, resulting in nearly 2,500 fewer household units and critical assistance.

This bill provides no new funds for elderly housing, for homeless assistance grants, for Native American block grants. Mr. Chairman, it cuts housing opportunities for people with AIDS to the extent of 5,100 fewer people with HIV/AIDS will not receive housing assistance.

Mr. Chairman, this bill also cuts $60 million in Hope 6 funds which are used to revitalize severely distressed public housing.

This bill has a devastating effect on my own congressional district as well. In Boston, overall funding from HUD would be cut by $16.1 million. In Boston, these cuts would mean we would not be able to provide English language to GED instruction, youth programming and after-school care to more than 1,300 children and adults.

Under this bill, Boston would be forced to turn away 3,000 potential first-time homeowners from the home buying classes. My city would also have to scale back its main street programs which develop neighborhood business districts.

Mr. Chairman, these are real programs. They help real people across this entire country as they strive to live with dignity. But today this Congress is going to cut those programs. Why? Because, Mr. Chairman, my Republican colleagues are so committed to providing tax relief for the wealthy Americans on the backs of those who literally need the programs to survive.

I hope the amendment is adopted, but I do not expect it to be.

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I am moved sitting here to think I am living in la la land somewhere. May I please ask the gentleman from New York (Mr. WALSH), chairman of this subcommittee, where he is from?

Mr. WALSH. Mr. Chairman, will the gentleman yield.

Mr. HASTINGS of Florida. I yield to the gentleman from New York.

Mr. WALSH. Mr. Chairman, I am from the State of New York.

Mr. HASTINGS of Florida. Mr. Chairman, is the gentleman from a city in the State of New York?

I yield to the gentleman from New York.

Mr. WALSH. Yes, Mr. Chairman. I was city council president in the city of Syracuse, and I served on the city council for 8 years.

Mr. HASTINGS of Florida. Mr. Chairman, that is what I thought. I ask the gentleman from New York if there is low housing stock in Syracuse?

Mr. WALSH. Mr. Chairman, if the gentleman will yield, we have a public housing authority, one of the best run housing authorities in America.

Mr. HASTINGS of Florida. Mr. Chairman, reclaiming my time, the gentleman from New York also has a ghetto. We have ghettos all over this country. I am surprised that we would come down here and argue to the people that we want to cut out an opportunity for low-income people to have adequate housing.

One of the problems in this country is the inseparable triumvirate of inadequate jobs, inadequate housing, and inadequate educational opportunities. One can go to Syracuse, and I have been there, and I will show one where the ghetto is. One can go to Fort Lauderdale or in Miami, the district of the distinguished gentlewoman from Florida (Mrs. MEEK), where it is awkward, and I will show you places where there is a necessity for added housing in this country.

At one point in the 1960’s, I considered, as a lawyer, changing my entire practice to trying to help the low-income people of this country. At that time, the then HUD-FHA programs were 221D(3), 221D(4), 221H that did rehab of all properties. Along came Richard Nixon in 1968 and doggone if we did not cut out all of those opportunities. Real estate trusts attracted those persons who had high income to come into low-income areas to help build the housing stock.

Now, from the gentleman from New Jersey (Mr. FRELINGHUYSEN), who I heard argue that the spend-down rate has been poor, one cannot spend where there is nowhere for a person to buy.

We do not have adequate housing in this country. Therefore, if one had all of what everybody is arguing, one still would not have low-income housing stock because it has been on the decrease.

Please come go with me in Washington, D.C., and let me show my colleagues boarded-over places, just like in Syracuse, I say to the gentleman from New York (Mr. WALSH), just like in the City of Chicago and all over this country we find this.

Our charge is to help the least of those among us. What we have done is turn it on its head in this House of Representatives. We have helped the least all right. The least which control most of everything in this country are now gaining the most. None of us are to begrudge them, but that does not mean that the least of us should not be helped.

How dare we not accept the program like the gentleman from West Virginia (Mr. MOLLOHAN) has offered and allow for us to be able to at least address minimally a problem that all of us know that is developing.

To the gentleman from Texas (Ms. JACKSON-LEE) spoke about how this creates dysfunctional families. It also helps to breed crime. It helps to breed all of those things about our society that all of us find repugnant. Yet, we come here and think that these people are supposed to be ignored.

This is the same Federal Government that allowed for banks to build all of these things all over this Nation and redline other communities and not give them an opportunity to have their communities develop.

In the area where I am from, from Fort Lauderdale, I have supported every Chamber project, I have supported every one of the tax situations that allowed for the development of the downtown area. All around me, everywhere around me, other than where I live, has developed in a mighty way.

I am proud to be a part of that community. But I will be doggone if I can stand here and say that I am proud so much that I ignore other people in the area, that all of that prosperity is looming around, booming all over them, and basting them right in the mouth by saying to them that we cannot do a minimal housing program that will be advantageous to all of society.

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Shame on this House. Shame on every one of us that does not support the Mollohan amendment, and shame on all of us that do not believe that it is necessary to put a fair roof over the heads of every American no matter where he or she lives; those that are disabled, those that are sick, those that are elderly, those that are children, those that need the kind of assistance that we can adequately provide in the kind of prosperous times that we have. How dare we not do that.

I find it absolutely abhorrent, and I call on every Member of this House of Representatives to support the Mollohan measure. Yes, the gentleman from New York (Mr. WALSH) will move a point of order, but I can order him to look in Syracuse, where the gentleman...
needs help in housing, and I certainly do in Ft. Lauderdale, and there are 438 other Members of this House with impoverishment in rural areas that need adequate housing.

POINT OF ORDER

The CHAIRMAN. Does the gentleman insist on his point of order?

Mr. WALSH. I do, Mr. Chairman. I insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WALSH. Mr. Chairman, as I stated earlier, I have a point of order against the amendment because it proposes to change existing law and constitutes legislation on an appropriations bill, therefore violating clause 2 of rule XXI. It also provides no offsets for the expenditures that are proposed, as called for under section 302 of the Budget Act.

The CHAIRMAN. Does the gentleman from West Virginia (Mr. MOLLOHAN) wish to be heard on the point of order?

Mr. MOLLOHAN. No, Mr. Chairman. I recognize that the gentleman has a valid point of order. We appreciate the opportunity to debate the issue here, and again we recognize the validity of the point of order.

The CHAIRMAN. The point of order under clause 2 of rule XXI is conceded and sustained.

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Mollohan amendment and in opposition to the VA-HUD appropriations bill, because I have some serious concerns about the negative impact this legislation will have on the quality of life for veterans and for those citizens who need public housing assistance.

This budget for VA-HUD proposes to cut $500 million from Section 202 housing programs, notwithstanding the fact that this is the funding which allows distressed housing authorities to demolish and replace decrepit housing which was mandated in the Omnibus Budget Act of 1996. The Congress has mandated that housing authorities in New Orleans, Philadelphia, Chicago, and other cities comply with new rules and new directives while, at the same time, cutting the money to make it happen. We cannot get blood out of a turnip, and we cannot make wood cabinets without lumber.

In Chicago, the Chicago Housing Authority has unveiled a bold plan for transformation. Components of this plan include completely replacing the old out-dated, outdated, socially irresponsible high-rise, densely populated semi-prisons with 25,000 new or newly rehabbed units of housing for families and the creation of new housing opportunities for senior citizens and people with disabilities.

Since half of the Chicago Housing Authority’s existing stock falls under the Section 202 mandate, the CHA is counting on competing for Hope VI grants as the primary vehicle for change. The CHA will need to win Hope VI revitalization grants in fiscal year 2001 to begin rebuilding of its housing properties, with the one primary example being the infamous Robert Taylor Homes, which has produced 13 of the poorest 15 census tracks in the Nation, and is known as the center of poverty.

Under plans being drawn up with residents, the CHA is proposing to create new low-rise mixed income neighborhoods. These neighborhoods will be filled with quality housing, 50 percent of which is scheduled to be built by minority firms who will hire public housing residents. There will be new parks, new schools, new roads and infrastructure. These relics of past public policy failures will rise and give hope to thousands of people.

This bold CHA will take HUD’s commitment to fund the CHA over the next 10 years and do something quite extraordinary. The CHA will sell bonds to the private market. And let me reiterate this last point. A public entity is taking real control of its destiny from HUD by funding and taking them to the private market and asking them to underwrite the revitalization of the Nation’s poorest neighborhoods. This type of public-private partnership to fund revitalization has never been done before.

A social nightmare has the possibility of being eliminated as we get rid of some of the worst housing in the Nation and create thriving new neighborhoods. And how is Congress proposing to respond to this bold Chicago plan for renovation? This House is proposing to cut $180 million needed to fund the first phase of this resurgence. We are starting to the private sector that this money is available to enforce fair housing laws, less money to fight against the widespread predatory lending practices, less money that can be used to deliver services to the homeless, and less money for elderly housing.

An elderly woman in Rochester contacted me frustrated about the critical shortage of affordable housing. The waiting list for this housing and the low maximum income limits on new and existing homes were a very great barrier to her, and she correctly pointed out that it will only get worse as seniors live longer.

She and her husband are “too rich” for low-income housing by $500 and too poor for assisted care senior housing. They also cannot find handicapped accessible housing, which is necessary for her husband, who has had a stroke. They are being forced to sell the home they live in and they do not know where they are going to move. She remarks, “Our golden years have been very tarnished.”

Unfortunately, she is not an isolated case. With a record of $5.4 million unsubsidized low-income households in this
country having worst-case housing needs, and spending over 50 percent of their income on rent, the bill’s low funding for affordable housing is not enough. I urge my colleagues to do better in conference.

Mr. MEEKS of New York. Mr. Chairman, I move to strike this last word.

Mr. Chairman, I stand here in amazement over what we are about to do. We stand in this Nation on high moral ground as we criticize other nations across the world about human rights’ violations and all other kinds of violations when we are about to do the worst violation we can do of one; the pride of one who is less fortunate than us to not have a decent roof over their heads.

How can we, in this time of fiscal prosperity, deny those who do not have a roof over their heads? How can we not increase funding for Section 8 when we have hundreds of millions of people who are waiting for decent homes in this day and age of fiscal prosperity? What is wrong with us? What is wrong? We talk about, and many of the individuals who are waiting in line to get a decent place to live, the pride of one who is less fortunate than us to not have a decent roof over their heads.

As we have times of budget deficits, we were enacting in this Congress a sort of reverse Robin Hood, because everything that we did was take away from the poor so that we can balance a budget. Well, we have a balanced budget. We have a situation where we no longer are trying to figure out where the dollars are coming from. In fact, we have surplus budgets, yet we will not restore budgets to where they once were.

What is wrong with us when we do not care about the elderly, the disabled? How can we stand here, the greatest Nation in the world, and talk about how great we are. What kind of example do we set for other countries when we do not take care of the least of our own? It is ultimately our responsibility to make sure that we take care of the least among us.

This Congress, in the manner that it is behaving, if we do not support the Molloy amendment for Section 8, I urge my colleagues to vote for the Mollohan amendment because this bill does not meet our great need for affordable housing. I represent Chicago, where the waiting list for public housing is 35,000 families long. Thirty-five thousand people is as big as some cities. The press asked for additional funds for public housing. That is money to do the repairs and upkeep that every home requires, including our public housing. And that is money for the HOPE 6 program, which would rebuild public housing that is uninhabitable like the kind we suffer in Chicago. And that is money for the Drug Elimination Grant program to fight the drugs and gangs and guns that are chewing up our children.

But this bill does not make any of that a priority. It actually cuts money for public housing from last year’s funding levels. And these cuts are on top of the cuts that we had last year and the year before and every year since 1994, totaling over $1 billion in cuts for public housing.

In Chicago, we have a line as long as Atlantic City waiting in line to get a decent place to live. It is even worse than that in Chicago. In Chicago, right next to that line is another line of 24,000 people waiting for Section 8 vouchers. In fact, that line is so long they had to close it. The need for affordable housing is so great in Chicago that not only can a person not get a rental voucher, they cannot even get in line to get a rental voucher. That is what we are facing in Chicago. And it is the same in communities across this country.

This bar graph shows the latest available national figures; 5.4 million households facing what is called worst case housing needs. That means that they either pay 50 percent or more of their income for rent or they live in substandard housing; 5.4 million men, women, and children, more than any other time in our history. But this bill does nothing, absolutely nothing, to help even one additional family, and does nothing to reduce the lines, and actually cuts money to improve housing.

The press asked for additional funds for public housing. That is money to do the repairs and upkeep that every home requires, including our public housing. And that is money for the HOPE 6 program, which would rebuild public housing that is uninhabitable like the kind we suffer in Chicago. And that is money for the Drug Elimination Grant program to fight the drugs and gangs and guns that are chewing up our children.

But this bill does not make any of that a priority. It actually cuts money for public housing from last year’s funding levels. And these cuts are on top of the cuts that we had last year and the year before and every year since 1994, totaling over $1 billion in cuts for public housing.

In Chicago, we have a line as long as Atlantic City waiting in line to get a decent place to live, and this bill does nothing to help them. And it does not help our cities and neighborhoods, either.

The U.S. Conference of Mayors, Republicans and Democrats, wrote us a letter detailing what they need to revitalize their cities and bring home jobs and homeowners back into their communities. The mayors want $2 billion for HOME, the major Federal homeownership program that gives mortgage counseling to would-be home buyers and helps build cities and repair homes.

This bill, however, does not even help homeowners a priority. This bill actually cuts the HOME program. And it does not do enough for the homeless. This is a housing budget that is money for the Drug Elimination Grant program to fight the drugs and gangs and guns that are chewing up our children.

Mr. Chairman, I stand in this Nation on high moral ground as we criticize other nations across the world about human rights’ violations when we are about to do the worst violation we can do of one; the pride of one who is less fortunate than us to not have a decent roof over their heads.

Mr. Chairman, I ask unanimous consent of the majority leadership could have found the money. I am voting against this bill until they do. I urge my colleagues to do the same.

The CHAIRMAN. The Clerk will read the amendment offered by Mrs. KELLY.

Mrs. KELLY of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

PUBLIC HOUSING CAPITAL FUND (INCLUDING TRANSFER OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,800,000,000, to remain available until expended, of which up to $50,000,000 shall be for the drug elimination grant program.

PUBLIC HOUSING OPERATING FUND

For payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $3,138,000,000, to remain available until expended: Provided, That no funds may be used under this heading for the purposes specified in section 9(g) of the United States Housing Act of 1937: Provided further, That of the total amount up to $75,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2001.

AMENDMENT OFFERED BY MRS. KELLY

Mrs. KELLY of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. KELLY:

Page 25, line 19, after the dollar amount, insert the following: (increased by $1,000,000).

Page 45, line 12, after the dollar amount, insert the following: (increased by $1,000,000).

Mrs. KELLY of Illinois. Mr. Chairman, I ask unanimous consent for the amendment to be considered as read and printed in the Record.
The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. KELLY. Mr. Chairman, this is a very simple amendment that the CBO has certified is budget and outlay neutral. This amendment increases funding for the Public Housing Operating Fund by $1 million. To offset the cost of the amendment, it reduces funding for the HUD Management and Administration Salaries and Expenses by the same amount.

As a member of the House Committee on Banking and Financial Services, Subcommittee on Housing and Urban Development, I have worked in an oversight role for HUD for a number of years. In that time, I have witnessed a great deal of change at HUD. I can unequivocally state that HUD does an excellent job at public relations.

Listen, if HUD dedicated the same energy toward ensuring a decent, safe, and sanitary home and suitable living environment for every American, I believe we would have the smallest of tasks before us today. Unfortunately, that is not the case, and we have a long way to go to recognize those laudable goals.

It is unfortunate, but today’s HUD is plagued with problems that simply cannot be blamed on passive administrations. Countless reports of the GAO and the HUD Office of the Inspector General cite deep-rooted government waste, fraud, abuse, mismanagement, and a general lack of oversight.

For instance, the General Accounting Office recently reported that in 1998 HUD made nearly $1 billion in section 8 overpayments because the agency cannot validate the income eligibility of housing assistance applicants. This wasted money could have provided housing for some 150,000 more families.

Another example is the HUD Office of the Inspector General, which has reported for years that HUD operations suffer from systematic management weaknesses. HUD’s response has been the HUD 200 Management Reform Plan, but the IG reports that the agency remains far from fixing systematic management weaknesses.

These problems demand action. Yet, instead of acting on recommendations of independent investigations, HUD has thrown good money after bad, writing their own reports and hiring consultants to write glowing reports about what a great job HUD is doing. Unfortunately, these reports do not magically fix HUD’s deep-rooted problems.

I have received from the HUD Inspector General’s office a list of these reports by outside consultants on which HUD has spent well over a million dollars. Mr. Chairman, I include the following list for the RECORD:

<table>
<thead>
<tr>
<th>Contract No.</th>
<th>Task Order No.</th>
<th>Task Order Description</th>
<th>Contractor Name</th>
<th>Date of Award</th>
<th>Amount of Contract</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPC–21277</td>
<td>1</td>
<td>Price Waterhouse Coopers</td>
<td>Unknown</td>
<td>9/5/99</td>
<td>Indefinite</td>
<td>Responding to audits and findings (the OIG is from Housing)</td>
</tr>
<tr>
<td>OPC–21217</td>
<td>1</td>
<td>Price Waterhouse Coopers</td>
<td>Price Waterhouse Coopers</td>
<td>10/30/98</td>
<td>$1,000,000</td>
<td>FIA Audit Response</td>
</tr>
<tr>
<td>OPC–20184</td>
<td>14</td>
<td>Squire, Sanders &amp; Dempsey</td>
<td>3/31/99</td>
<td>125,984</td>
<td>Evaluate the accomplishments of 7 critical projects of HUD 2000</td>
<td></td>
</tr>
<tr>
<td>OPC–21387</td>
<td>1</td>
<td>Day, Berry &amp; Howard</td>
<td>5/29/98</td>
<td>200,000</td>
<td>Legal Services to assist in defense of claims asserted</td>
<td></td>
</tr>
<tr>
<td>OPC–18531</td>
<td>4</td>
<td>Ernst &amp; Young</td>
<td>9/21/97</td>
<td>412,724</td>
<td>Investigation of EEO complaint</td>
<td></td>
</tr>
<tr>
<td>OPC–18532</td>
<td>9</td>
<td>Booze Allen</td>
<td>9/21/97</td>
<td>146,962</td>
<td>Independent analysis of CB effectiveness</td>
<td></td>
</tr>
<tr>
<td>OPC–18522</td>
<td>12/13/97</td>
<td>Booze Allen</td>
<td>12/13/97</td>
<td>37,576</td>
<td>2005 Technical Assistance</td>
<td></td>
</tr>
<tr>
<td>OPC–18533</td>
<td>4</td>
<td>Andersen Consulting</td>
<td>7/15/99</td>
<td>412,724</td>
<td>2005 Assessment, includes subcontract with Changey and Usborne</td>
<td></td>
</tr>
</tbody>
</table>

Common community builders, each chosen by HUD from the more than 800 in place.

I ask, how can we see any value in such an investigation? We cannot allow such problems at HUD to continue. We have to send a strong message that the HUD mission is safe, clean, strong, and private organizations provide more public relations effort.

My amendment is reasonable. We move $1 million from the Management and Administration Salaries and Expenses account to the Public Housing Operating Fund, and I am confident it will be spent on providing a suitable living environment for people dependent on public housing. It was my hope that the Public Housing and Operating Fund could have been funded at a higher level.

With the budgetary constraints placed on my good friend from New York, the chairman of the VA-HUD subcommittee, the levels in this bill are admirable. I look forward to continuing our work to raise to fund further.

Passage of this amendment certainly is a step in the right direction. I urge my colleagues on both sides of the aisle to support this amendment. We need to remove the problems that are plaguing HUD, and we need to provide the necessary resources to the Department so that we can move forward on important issues.

Mr. MILLER of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to speak in favor of the Kelley amendment. This amendment would help ensure that funds will be spent on helping individuals purchase housing and not on the less useful self-promotional activities of HUD. It would direct funds to a program which promotes self-worth and strong neighborhoods by replacing the worst public housing, turning around troubled neighborhoods, and implementing rent policies that reward and encourage work. This program requires greater responsibility on the part of the tenant as a condition for assistance.

Many HUD programs have continually been criticized for their waste, fraud, and abuse. The Federal Housing Administration is a perfect example of one such program. HUD has used taxpayers funds to finance all kinds of studies and reports, including one self-congratulating report that had a price tag of $200,000. The waste, fraud, and abuse within HUD has cost taxpayers and potential home buyers millions and maybe even billions of dollars.

I appreciate this opportunity to highlight the waste within HUD, some of which was recently revealed in reports by the HUD Inspector General and the General Accounting Office.

One of the most horrific examples of waste, fraud, and abuse within these programs was the New York–based National Association for Property Owners (NAPA) which was recently revealed in reports by the HUD Inspector General. NAPA’s contract activity with HUD has been a little over $1 million. To offset the cost of the amendment, it reduces funding for the HUD Management and Administration Salaries and Expenses by the same amount.
June 20, 2000

CONGRESSIONAL RECORD—HOUSE

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reports has been discovered in the management of the FHA. HUD's inventory of unsold homes last year was the highest that it has been in 10 years, which is amazing in such a tight housing market.

Due to the increased number of these unsold properties, HUD hired contractors at a cost of $57 million to maintain and restore the properties. HUD's lack of oversight led to rampant fraud. One of these contractors was a company called InTown, who had seven of these 15 contracts. Due to InTown's inability to maintain existing HUD property or refurbish the run-down properties, the Government had to terminate their contract, but not before paying them. Then InTown filed for bankruptcy and the subcontractor hired by InTown put liens against these HUD properties. This resulted in a loss to the Federal Government of $7 million.

HUD's lack of efficiency, management, and oversight continues to deny home ownership to the neediest individuals. HUD is denying the opportunity for more people to participate in their programs by allowing their taxpayer dollars to be wasted in this manner.

I want to thank the gentlewoman from New York (Mrs. KELLY) for her amendment and for her continued diligence on stopping this waste, fraud, and abuse that goes on in so many of our government agencies and programs. HUD is a perfect example of an institution in need of fiscal reform.

I urge support of the Kelly amendment.

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

Mr. Chairman, I rise today in support of this amendment. The Kelly amendment stops HUD from spending money on self-promotion and puts money where it will be spent on families who need public assistance housing. It is simply wrong for HUD to spend one penny on self-promotion while people in need remain on waiting lists.

In her semiannual report to the Congress for the period ending March 31, HUD Inspector General Susan Gaffney found "massive fraud schemes." Gaffney also reported "a very significant breakdown in program controls designed to prevent such fraud. Gaffney also said, 'Our work in the areas identified serious control weaknesses that expose the Department to fraud, waste, and abuse.'

We do not have to look very far to see evidence of the Department's inefficiency and poor oversight. Just look at HUD's payment of excessive section 8 rental subsidies to the tune of $933 million in 1998 and $8.5 million for store-front operations that never benefited the public. Or we may look to HUD's staffing fiascos. For years HUD complained about having inadequate funds for a required staff of 9,300 full-time employees and has threatened a reduction in force.

However, even though Congress provided funds for 9,300 FTEs in current year, HUD only had 9,040 full-time on staff. We must believe that this inflated personnel requirement represents an attempt by HUD to secure a larger than necessary appropriation.

Examples like this leave us no reason to question Inspector General Gaffney's claim that HUD will remain on GAO's high-risk list for the foreseeable future.

The Kelly amendment is another step in the Republican majority's goal of eliminating waste, fraud, and abuse. This amendment strikes $1 million from the Operating and Expense budget and puts it into the Public Housing Operating Fund, where every penny will be spent on housing.

This amendment will not cut any staff, as my colleagues on the other side may claim. This amendment will merely reduce the expense fund, which HUD uses as a slush fund to operate its current Secretary's political PR machine.

Under the current Secretary, we have witnessed the absolute politicization of HUD. We saw HUD sweep in and seize control of public housing programs from the City of New York. We have watched the current Secretary bend and contort HUD's mission to now include industry lawsuits and gun control programs.

In my home State of Nebraska, soon after a member of our congressional delegation endorsed the wrong presidential candidate, programs that HUD had funded for years mysteriously had their funding cut off. For me, it is all too clear, what is intended to be a public housing agency has, sadly, become a public relations agency for the current administration. The Secretary should not use taxpayer funds to promote his own ambitions.

This amendment stops HUD from spending money on public relations and puts the money back into public housing. HUD should not spend money on what amounts to political advertising while we still have families in need on waiting lists.

I urge my colleagues to support this amendment.

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

Mr. Chairman, I rise this evening in support of the Kelly amendment. But I want to be clear on this. I rise in support of the amendment not because of any insensitivity to affordable housing, as the other side seems to suggest, but, instead, because I care passionately about affordable housing.

I come from a State where breaking the bonds of poverty has been one of our highest priorities.

I believe that the dollars we spend on affordable housing are about the most important dollars we as an institution spend. Now, I want to believe that the leadership of HUD shares that philosophy. I hope I am wrong about the precious dollars. But, Mr. Chairman, to be honest at times that is awfully hard to believe. We have heard reference to the Office of Inspector General's report. It shows that there is a lack of accountability at HUD. HUD could not produce reliable financial records for 1999. Yet these dollars are precious. HUD's newly installed financial system, something called HUCAP, could not even meet basic financial system requirements. Yet they say these dollars are precious.

The Inspector General's report listed example after example of fraud, waste, and abuse.

As my colleagues have mentioned over and over again this evening, HUD spends an awful lot of money on self-promotion while people, while families stand in line waiting for help with affordable housing. It is simply wrong for HUD to spend one penny on self-promotion while people in need remain on waiting lists.

It is amazing in such a tight housing market.

I come from a State where breaking the bonds of poverty has been one of our highest priorities.

2030
We have heard about waiting lists for some of these important programs, and I think that there is a tremendous amount of money available, for block grants for Housing Opportunities for Persons with AIDS, for community development block grants, all programs that were cut significantly in this bill, as was the very account that the gentleman from West Virginia has very eloquently stated the difficulty in cutting the account that the gentleman woman takes $1 million out of. This bill appropriated $90 million less than the President’s request already, or an 8 percent cut the S&E account took from the President’s request in this bill. We can ill afford to take more money out of the S&E account. If we have administrative challenges at HUD, the way to address them is not by further cutting the account from what this bill already cuts but to appropriate not only the programmatic requests at the requested level but also the S&E account, the people who administer, who are out there delivering the services to people. We cannot continue to cut the programmatic side and the S&E side and deliver adequately the housing needs of the most needy in our society. We cannot continue to do that.

This is really, let us face it, a symbolic cut, a symbolic amendment, just taking a jab at HUD by taking another $1 million out of. This money is $1 million out of, the S&E account. If we have administrative challenges at HUD, the way to address them is not by further cutting the account from what this bill already cuts but to appropriate not only the programmatic requests at the requested level but also the S&E account, the people who administer, who are out there delivering the services to people. We cannot continue to cut the programmatic side and the S&E side and deliver adequately the housing needs of the most needy in our society. We cannot continue to do that.

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

Mr. Chairman, I do not know quite where to begin. I do rise in support of the amendment offered by the gentleman from New York. I want to emphasize it is long overdue. The gentleman from West Virginia has very eloquently stated the difficulty in cutting the salaries and expenses account. But for the benefit of the Members in the Chamber, I would just like to go through a few of the issues that we are struggling with in the overall picture rather than in a very narrow focus.

As a member of the Subcommittee on Government Management, Information and Technology of the Committee on Government Reform, I have come to understand that the auditor over at HUD cannot even issue an unqualified opinion regarding the financial affairs at HUD. Yet the argument is being made on the other side to increase the resources available to HUD. I would urge all Members as a first step to familiarizing themselves with the affairs there that they read the Inspector General’s report for 1999. In that, the Inspector General cannot even close their books on HUD. Are Members also aware of the fact that HUD cannot establish the condition of the units under its control? Literally they cannot. I would commend to all Members that they read the recent article in The Washington Post by Judith Havemann regarding HUD’s efforts to see what kind of shape the 4.6 million units it controls are in. HUD has hired contractors to inspect its portfolio and report back on the conditions that exist therein. Perhaps we should applaud this effort.

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Are Members aware of the new program under the auspices of Secretary Cuomo called Community Builders? Before I share this with my colleagues, I want to read something from the 105th Congress regarding what is allowed under Public Law 105-277 and what is not:

No parts of any funds appropriated in this or any other act shall be used by an agency of the executive branch other than for normal and recognized executive-legislative relationships, nor for publicity or propaganda purposes, and for preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before Congress except in presentation to the Congress itself.

Now, that is put in there so that the agencies do not go to Congress and lobby for their own interests. However, I want to share with the Members here what the reality is. On September 9, 1999, the public affairs officer for HUD sent out the following instructions to the field public affairs staff. Again this relates to the community builders area of HUD’s operations.

It says: Attached is an op-ed penned by the Secretary, that would be Secretary Cuomo, regarding the proposed cuts to the HUD budget. Here is what I need you all to do ASAP. Again this is a memorandum sent to the 800-odd community builders.

Number one, localize the opinion editorial, in other words, suggesting to them that they send to their local media an opinion or an editorial piece
Mr. CHAIRMAN. Pursuant to House Resolution 525, further proceedings on the amendment offered by the gentlewoman from New York (Mrs. KELLY) will be postponed.

The Clerk will read:

The Clerk reads as follows:

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING (INCLUDING TRANSFER OF FUNDS)

For grants to public housing agencies and Indian tribes and their tribally designated housing entities for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, for grants for repair of cleared-out public housing and cleared-out low-income housing authorized by 42 U.S.C. 11921–11925, $300,000,000, to remain available until expended, of which $5,000,000 shall be reserved for technical assistance, technical assistance grants, and program assessment for or on behalf of public housing agencies, resident organizations, and Indian tribes and their tribally designated housing entities (including up to $150,000 for the cost of necessary travel for participants in such training) for oversight training and improved management of the HOPE VI program, and $10,000,000 shall be used in connection with efforts to combat violent crime in public and assisted housing under the Operation Safe Home Program administered by the Inspector General of the Department of Housing and Urban Development: Provided, That of the amount under this heading, $10,000,000 shall be provided to the Office of Inspector General for Operation Safe Home.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, $66,000,000, to remain available until expended, of which the Secretary may use up to $10,000,000 for technical assistance and contract expertise, to be provided directly or indirectly through contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or on behalf of the department and of public housing agencies and to residents; Provided, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.

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

Mr. Chairman, I rise to enter into a colloquy with the Chairman of the VA/HUD subcommittee regarding the current funding for veterans’ medical care and H.R. 4635. I am very thankful for the good work of the Members on the House Committee on Appropriations for bringing to the floor a bill with a $1.35 billion increase in spending for veterans’ medical care.

An increase of this size would not have been possible without the hard work of the subcommittee chairman, my good friend, the gentleman from New York (Mr. WALSH). Unfortunately, according to James Farsetta, the Director for Veterans Integrated Service Network 3, which includes lower New York and northern New Jersey, we will again face funding shortfalls in our region, despite the overall increase in funding.

This is due to the VERA program, inflationary costs, and the exploding epidemic of hepatitis C. Despite the help of the Chairman, the VA’s diligence in responding to this program has been sorely lacking.

Mr. Chairman, last October, our VISN director requested $102 million in reserve funding, and while the VA announced in January that they would provide $66 million of the amount, that money did not reach the VISN until 3 weeks ago. Additionally, VISN 3 has requested $22 million to test and treat veterans infected with hepatitis C.

The VA budget request states, and I quote: ‘‘Hepatitis C virus is a serious national problem that has reached epidemic proportions.’’ To date VISN 3 has the highest number of veterans infected with hepatitis C nationwide, and in a one-day, random screening for hepatitis C in March 1999 found the hepatitis C infection rate in VISN 3 was nearly double the national average.

To date, the VA has not provided any additional funding for hepatitis C and has not provided any reason as to why VISN 3 is being denied this funding. It costs $15,000 a year for 1 year of treatment for a veteran who has tested positive for hepatitis C virus.

Mr. Chairman, this situation has gone on long enough. I am asking for your assurance that the VA ends their delay tactics and provides critical supplemental funding to VISN 3 that is so desperately needed. I understand that it is possible that VISN 3 will need reserve funding again next year.

I hope that the gentleman will continue to work with me and with other concerned Members to make sure that the VA is responsive to the needs of VISN 3 and does so in a timely manner.

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

Mrs. KELLY. I yield to the gentleman from New York.

Mr. WALSH. Mr. Chairman, I thank the gentlewoman (Mrs. KELLY) for bringing these important concerns to
my attention, and I would like to assure her and other Members that I am well aware of the problems faced by VISN 3, particularly in respect to funding levels. I will continue to work with the gentlewoman and our colleagues in the Senate and the Administration to ensure that VISN 3 is not just disproportionately disadvantaged under the funding levels of the Contingency Fund, but is treated fairly and equitably. I also want to assure the gentlewoman that I, too, find the delays and unresponsiveness of the VA intolerable. I will, as the gentlewoman demands, work with the VA officials to ensure that the proper reserve funding is sent both this year and next.

Mr. Chairman, I thank the gentlewoman for her comments and her hard work.

Mrs. KELLY. Mr. Chairman, I thank the gentleman from New York (Mr. WALSH) for his continued efforts on behalf of our veterans, and I look forward to continuing to work with the gentleman to assure proper medical care for our veterans.

The CHAIRMAN. The Clerk will read.

The Clerk reads as follows:

NATIVE AMERICAN HOUSING BLOCK GRANTS
(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grant program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (Public Law 104-330), $930,000,000, to remain available until expended, of which $2,000,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA, and $6,000,000 shall be to support the inspection of Indian housing units, contract for the training, oversight, and management of Indian housing and tenant-based assistance, including up to $300,000 for related travel and $2,000,000 transferred to the Worker Capital Fund for the development and maintenance of information technology systems: Provided, That of the amount provided under this heading, $5,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: Provided further, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $150,000 from amounts in the first proviso, which shall be used only for the administrative costs of the guaranteed loan program, up to $200,000 from amounts in the first proviso, which shall be used only for the administrative expenses to carry out the guaranteed loan program, up to $150,000 from amounts in the first proviso, which shall be used only for the administrative costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $150,000 from amounts in the first proviso, which shall be used only for the administrative costs of the guaranteed loan program.

COMMUNITY PLANNING AND DEVELOPMENT—HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the Housing and Community Development Act of 1992 (106 Stat. 679), $930,000,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $150,000 from amounts in the first proviso, which shall be used only for the administrative costs of the guaranteed loan program.

AMENDMENT NO. 2 OFFERED BY MR. NADLER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. NADLER: In the item relating to “DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—COMMUNITY PLANNING AND DEVELOPMENT—HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS”, after the first dollar amount, insert the following: “(increased by $18,000,000)”.

In the item relating to “INDEPENDENT AGENCIES—NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES”, after the first dollar amount, insert the following: “(reduced by $15,000,000)”.

Mr. NADLER. Mr. Chairman, I rise to offer an amendment to increase the appropriation for the Housing Opportunities for Persons with AIDS, or HOPWA, program by $18 million. This was $10 million less than the President requested and far less than is truly needed to adequately fund this program, but represents the amount necessary to ensure that those already in the program do not receive a cut in service.

I am delighted by the bipartisan nature of this amendment, and I would like to specifically thank the gentleman from Connecticut (Mr. SHAYS), the gentleman from New York (Mr. CROWLEY), the gentleman from California (Mr. HORN), the gentleman from Florida (Mr. FOLEY), and the gentleman from Maryland (Mr. CUMMINGS) for joining me in offering this amendment and demonstrating the bipartisan support that this program enjoys.

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

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

Mr. CROWLEY. Mr. Chairman, the housing provided by HOPWA allows people to improve the quality of their lives and access to life-extending care. With the longer life span comes the need for more assistance both in medical care and in housing. No person should have to choose between extending their life or keeping a roof over their head, and the fact is without adequate housing and nutrition, it is extremely difficult for individuals to benefit from the new treatments.

Let us give the HOPWA program the necessary money it needs to provide those services. I ask all of my colleagues to join me in supporting the Nadler-Shays-Crowley-Cummings-Foley amendment.

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

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

Mr. SHAYS. Mr. Chairman, I appreciate the gentleman from New York for yielding, and I rise in support of this...
amendment, as well, and on behalf of the gentleman from Maryland (Mr. Cummings) and the gentleman from Florida (Mr. Foxx), who are co-sponsors of this amendment. I know the gentlewoman from New York (Mrs. Maloney) as well has expressed support of this. We are prepared to vote.

Mr. Nadler. Mr. Chairman, I urge every member of this district.

Mr. Walsh. Mr. Chairman, I move to strike the last word. I will not take all of the time provided. I appreciate the brevity of the statements of the speakers who are advocating for this. We have no objection to this amendment on this side. The committee recommended funding for HOPWA's budget at last year's level; however, like many other accounts in this bill, I had hoped to increase funding for this account in this bill, because such a decision would have adversely impacted other accounts.

On those grounds, I am prepared to accept the amendment. These funds would normally go to National Science Foundation's AIDS Research grants. And there is no guarantee that there would be any other grants available in this program; and the additional funds are necessary.

I would register for the record, a concern, however, that the formula that HOPWA uses is outdated by many states and other programs, including the Ryan White program, which have updated their formula for dispersal of funds; and we would urge HOPWA to consider seriously looking at that.

Other than that reservation, Mr. Chairman, I am prepared to accept the amendment.

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

Mr. Chairman. I rise in support of the Nadler amendment.

Mr. Chairman. I rise in strong support of the Nadler amendment to increase by $18 million the appropriations for the Housing Opportunities for Persons With AIDS (HOPWA) program.

As we all know, AIDS is the number one public health problem in this nation and in many places throughout the world. And in my district back in Chicago, AIDS has reached epidemic proportions. In fact, there are at least a thousand reported cases of AIDS in my district and last year, over 10,000 people have died of AIDS in Chicago.

Although the mortality rate among individuals living with AIDS is declining as a result of better medical treatments, combination therapies, and earlier diagnosis, the housing opportunities for those living with the disease have not improved accordingly. It is important that this Congress respond with compassion and support. This bill in its current form does not meet this objective, for there are still far too many victims of AIDS who are living, but have no place to live.

Fortunately, this amendment seeks to correct this gap and help to meet this need. $18 million is no panacea, but will help many persons living with AIDS have a place in which to live.

Therefore, I urge passage of the Nadler, Shays, Crowley, and Horn amendment.

Mrs. Maloney of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman. I rise in strong support of the Nadler/Shays/Crowley/Horn amendment to increase HOPWA funding by $18 million to $250 million.

HOPWA allows communities to design local-based, cost-effective housing programs for people living with AIDS. It supports patients with rent and mortgage assistance and provides information on low-income housing opportunities.

While basic housing is a necessity for everyone, it is even more critical for people living with AIDS. Many AIDS patients rely on complex medical regimens and have special dietary needs. Lack of a stable housing situation can greatly complicate their treatment regimen.

We must not forget that while medical science has made important advances in treating AIDS, a cure remains elusive. In the meantime we must do what we can to help people living with this disease.

Mr. Chairman, I implore my friends on the other side of the aisle who often speak about “Compassionate Conservatism” to support this amendment. This vote presents an opportunity for my colleagues to match their rhetoric with a small federal funding request.

The people who benefit from the HOPWA program are some of our nation's most needy. They are living in a very difficult circumstance.

Mr. Chairman, I eagerly look forward to the day when medical breakthroughs render the HOPWA program unnecessary. However, today in the present I call on my colleagues to people living with AIDS this modest increase in support.

Ms. Lee. Mr. Chairman, I rise today in strong support to an increase in funding for Housing for People With AIDS—HOPWA.

HOPWA is the only federal program that provides community-based HIV-specific housing. It is vital to the lives of persons who are living with HIV/AIDS because it allows people to benefit from their treatments and helps to keep them from being exposed to other life-threatening diseases, poor nutrition and lack of medical care.

Up to 60 percent of people living with HIV/AIDS will need housing assistance at some point in the course of their illness. According to the National AIDS Housing Coalition, one-third to one-half of all people living with HIV/AIDS are either homeless or in imminent danger of losing their homes.

In my district, Alameda County, the Ryan White Planning Council Needs Assessment Surveys in 1998 and 1999, ranked housing as the highest area for "unmet need" and "served but unsatisfied" of eight service categories. This study also indicates that antiretroviral therapies are helping people living with HIV/AIDS live longer healthier lives, thus our responsiveness to their housing needs is more urgent than ever.

In the Bay Area community I represent, housing costs are reaching astronomical heights and are becoming increasingly impossible for even moderate wage earners to meet. The working poor and the disabled, including persons with HIV/AIDS, are in great jeopardy.

Since 1992, HOPWA funding has provided essential development awards for projects ranging from a rehabilitated five bedroom house in north Berkeley to a newly constructed 21 unit complex in East Oakland. HOPWA has also provided the resources and support for 20 emergency housing beds, 40 transitional housing shared units, and 174 permanent units throughout my district. Yet, these programs have only addressed a small portion of the housing needs for persons and families affected by HIV/AIDS.

The rental market vacancy rate in my district is less than 1% and market rents throughout Alameda County far exceed Fair Market Rents (FMRs). With the limited rental assistance available from the HOPWA program, people living with HIV/AIDS are unable to find and rent affordable housing. Additionally, HIV/AIDS Housing Opportunities Program operating expenses are not guaranteed and routinely maintain lengthy waiting lists.

While, HOPWA has provided the much needed gateway for people with HIV/AIDS to access housing, treatment and care services, it needs to do better. Many persons living with HIV/AIDS are forced to make difficult decisions between life sustaining medications and other necessities, such as housing. These decisions become even more dire when the cost of housing is taken into consideration. For many people with HIV/AIDS, HOPWA has been life saving.

In August 1999, the County Board of Supervisors declared a State of Emergency with respect to AIDS in the African-American Community of Alameda County. The Congressional Black Caucus: Minority Health Initiative, partnered with HOPWA to push forward a community wide response to the State of Emergency including closing the housing gap for people with HIV/AIDS.

In my district we are finally seeing positive results from our efforts. For example, the Department of Housing & Community Development (HCD) has been able to successfully partner with county agencies like the Office of AIDS & Communicable Diseases, and Cal-Pep, a community-based AIDS service organization, to provide access to short-term transitional housing for people living with HIV—AIDS, who have recently been released from incarceration. Often times, the incarcerated population is overlooked or under served regarding AIDS services. HOPWA has helped to close that gap by providing housing and treatment services, but also to render prevention education services on post-exposure and secondary exposure risks for HIV/AIDS.

Mr. Chairman, I urge you and my colleagues to support this amendment because HOPWA will help close the housing gap, but also will help to reach our goal of eradicating HIV/AIDS. It is the right thing to do.
Mr. CROWLEY. Mr. Chairman, I rise today with colleagues from both sides of the aisle, Mr. Nadler and Mr. Cummings, and Mr. Shays, Mr. Horn, and Mr. Foley to offer an amendment to increase funding for the Housing Opportunities for Persons with AIDS by $18 million dollars. I know many of my colleagues will ask why this one program, out of many others that were cut or also "level" funded deserves an increase, and I hope we can effectively explain why. You have supported us in the past—by ensuring that HOPWA maintained its funding last year.

And this past winter, you overwhelmingly voted for our amendment to increase the authorization amount for the HOPWA program. We need your support again now.

We have made great strides in the treatment of AIDS. New medications have increased life expectancy by years, even after the onset of full-blown AIDS. Currently, there are about 4 million American living with HIV and AIDS. More than 200,000 of these currently need housing assistance. Additionally, 60% of people with HIV/AIDS and their families will need housing assistance at some point during their illness.

The HOPWA program provides rental assistance, mortgage assistance, utility payment assistance, information on low-income housing opportunities and technical support and assistance with planning and operating community residences. These important services assist individuals and families financially—not forcing them to choose between housing and medicine. Currently, HOPWA benefits 52,000 people in 415,000 housing units. HOPWA is the only federal housing program addressing the housing crisis facing people living with AIDS.

The housing provided by HOPWA allows people to improve the quality of their lives and access life-extending care. With a longer life span comes the need for more assistance, both in medical care and housing. Life-saving drugs are costly, forcing many people to choose between essential medications and other necessities—such as food and housing. No person should have to choose between extending their life or keeping a roof over their head. And the fact is, without adequate housing and nutrition, it is extremely difficult for individuals to benefit from the new treatments.

Longer life spans mean less space in HOPWA programs. Additionally, since 1995, the number of Metropolitan areas and states qualifying for HOPWA formula grants has increased significantly.

In fact, 4 new regions are to be added this next year. The result of these two factors means that level-funding HOPWA at $260 million will mean cutting the program. The current funds will need to stretch further. Let me give you an example from my home state. In Fiscal Year 2000, New York State received 3.25 million in HOPWA funding. In Fiscal Year 2001, with level funding, New York State will only receive $3.1 million. This will result in a loss of services. In fact, HUD informs me that 5,170 fewer people with HIV/AIDS will be receiving assistance. This is unacceptable—this means the over 5,000 people and their families will be living on the streets. Housing is essential to help individuals with treatments for this disease.

This year’s appropriations limits make it very difficult to find an offset for any increase. My colleagues and I do not want to take money away from programs that confront this epidemic with the reality that over 5000 individuals and their families in New York State will be living on the street, we need to make a way. My colleagues and I have proposed an $18 million offset from the National Science Foundation’s Polar and Antarctic Research Program. I want to make it clear that I am not opposed to science research and understand the value it can have on our lives and the future of the human race. However, the Polar and Antarctic research program is coordinated by NSF but has 12 other federal agencies also contributing funds over $150 million.

We ought to be farsighted in looking at problems in our global atmosphere and scientific research, but we must not be so shortsighted that we harm the citizens of this country in our efforts to save the polar ice cap. The increase in the NSF Budget amounts to $18 million and increasing funding at Housing and Urban Development by a like amount.

I would suggest to the gentleman from New York that if he seeks to increase funding for housing people with AIDS, he could find the resources within HUD’s nearly $30 billion appropriation. This agency is far better able to accommodate the amendment’s purpose through efficiencies than by cutting NSF, an agency having a budget that is a small fraction of HUD’s appropriation.

Cutting the appropriation for the Nation’s premier research agency, as the gentleman from New York proposes, is ill-advised. The Congress has affirmed the importance of an active U.S. presence in Antarctica. Stable funding for polar programs is necessary because of the long lead time required for these operations. If the amendment passes, funding probably will have to be shifted from basic research programs to support polar operations already in the pipeline.

As the White House recently pointed out in its June 15, 2000 press release, any cuts to the NSF budget would not have a "negative effect on programs that are at risk. The basic research NSF funds in the biological and other sciences is a vital part of the overall Federal research portfolio, adding to our store of knowledge in valuable, and often unpredictable ways.

Mr. Chairman, we can all sympathize with the plight for those who have contracted AIDS, but I do not think that it is in their best interests to cut funding for our premier basic research agency that may one day help provide the underlying research needed to find a cure for this and other debilitating diseases.

The House should reject Mr. Nadler's amendment.

Mr. SMITH of Michigan. Mr. Chairman, I rise in opposition to this amendment. The gentleman from New York proposes to reduce funding for the National Science Foundation by $18 million in order to increase funding at HUD at the expense of HOPWA. This is a remarkably short-sighted idea.

This appropriations bill adds $4 billion to HUD’s already $25.8 billion budget for FY2000—that’s an increase that represents more than NSF’s total budget. To this increase, the gentleman wishes to add $18 million raided from NSF’s significantly smaller appropriation.

This House has continually recognized the important role NSF and basic research have played in our Nation’s economic and technological development. Research funded by NSF, including research at the poles, has led to the development of new pharmaceuticals and new diagnostic and therapeutic tools that have preserved and protected the health of people worldwide. Our understanding of viruses, of pathogens, of carcinogens, has been aided immeasurably by the type of basic research NSF enables. This is a fact not lost on the current Administration, which pointed out in a press release last week that cuts to NSF will put at risk "longer, healthier lives for all Americans."

While I commend my colleague for the intent of his amendment, I must take issue with its effect. Moving this funding from a well-run agency like NSF to one with a history of mismanagement like HUD sends the wrong message to all federal agencies. It’s worth noting a GAO report issued last summer taking HUD to task for its management deficiencies. The report noted significant weaknesses in internal control, unreliable information and financial management systems, organizational deficiencies, and staff without proper skills. GAO concluded that “HUD’s programs are a high-risk area” based on “the status of [these] four serious, long-standing Department-wide management deficiencies that, taken together, have placed the integrity and accountability of HUD’s programs at high risk.”

In that light perhaps the gentleman should look within HUD’s $30 billion appropriation to find the offsets his amendment requires, rather than force cuts in the Nation’s premier science agency. I urge the House to reject this amendment.

Mr. CUMMINGS. Mr. Chairman, I am pleased to work with my colleagues to bring forth such an important amendment to increase funding for Housing Opportunities for People with Aids (HOPWA). For decades, AIDS and other HIV-related illnesses, adequate and safe housing can be the difference between a person’s opportunity to live life with self-respect and dignity and being relegated to a life of poor, unhealthy and safe conditions often leading to homelessness and possibly death.

At any given time, 1/3 to one-half of those living with HIV-related illnesses are either homeless or in imminent danger of losing housing. And 60% of these persons will face a housing crisis at some time during their illness due to discrimination and increased medical expenses. Moreover, as their health declines, persons with HIV-related illnesses may lack the ability to work or at least to earn up to their full potential, leaving them vulnerable.
to either not being able to find appropriate housing or losing their housing.

Sadly, this problem disproportionately impacts low-income communities where homelessness is often a paycheck away. And the CDC has estimated, in past studies, that HIV infection rates are 24% among the homeless, and in some urban areas as high as 50%.

HOPWA is the only, federal housing program designed to address his crisis. 95% of HOPWA funds are distributed by HUD to cities and states that are hardest hit with the AIDS pandemic. These jurisdictions then determine how best to utilize the funding to meet locally-determined housing needs and services for persons living with HIV-related illnesses, such as short-term housing, rental assistance, home care services, and community residences.

In 1998, HUD estimated that for each additional $1 million in HOPWA funding, an additional 260 individuals and families living with HIV and AIDS would have access to vital housing and housing-related services. Moreover, HOPWA funding has been demonstrated to reduce emergency health care expenses by $47,000 per person.

Consistently increased HOPWA funding is critical. As the number of AIDS cases continues to rise, the ability for localities to address increased housing needs must keep pace. Without significant increases, we will continue to fight a losing battle that no other federal program can combat. While Section 8 housing waiting lists swell, other programs prove more politically popular than those addressing AIDS, and persons with HIV/AIDS are discriminated against, housing opportunities created specifically for these individuals are crucial.

As such, I urge my colleagues to support the Nadler-Shays-Crowley-Horn-Cummings-Foley HOPWA amendment to increase FY 2001 funding by $18 million to level of $250 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. NADLER). The amendment was agreed to. The Clerk will read.

AMENDMENT OFFERED BY MR. FORBES

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

The Clerk read as follows:

Amendment offered by Mr. FORBES:
Page 29, line 24, after the dollar amount, insert the following: "(increased by $20,000,000)."
Page 36, line 13, after the dollar amount, insert the following: "(increased by $20,000,000)."
Page 37, line 12, after the dollar amount, insert the following: "(increased by $78,000,000)."
Page 37, line 13, after the dollar amount, insert the following: "(increased by $99,000,000)."
Page 38, line 2, after the dollar amount, insert the following: "(increased by $99,000,000)."
Page 52, after line 6, insert the following new sections:

REDUCED DOWNPAYMENT REQUIREMENTS FOR LOANS TO TEACHERS AND UNIFORMED MUNICIPAL EMPLOYEES.

SEC. 207. (a) IN GENERAL.—Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) is amended by adding at the end the following new paragraph:

"(11) REDUCED DOWNPAYMENT REQUIREMENTS FOR TEACHERS AND UNIFORMED MUNICIPAL EMPLOYEES.—

(A) IN GENERAL.—Notwithstanding paragraph (2), in the case of a mortgage described in subparagraph (B)—

"(i) the mortgage shall involve a principal obligation in an amount that does not exceed the sum of 99 percent of the appraised value of the property and the total amount of initial service charges, appraisal, inspection, and other fees (as the Secretary shall approve) paid in connection with the mortgage; and

"(ii) no other provision of this subsection limiting the principal obligation of the mortgage based upon a percentage of the appraised value of the property subject to the mortgage shall apply; and

"(iii) the matter in paragraph (9) that precedes the first proviso shall not apply and the mortgage shall be executed by a mortgagor who shall have paid on account of the property at least 1 percent of the cost of acquisition (as determined by the Secretary) in cash or its equivalent.

"(B) MORTGAGES COVERED.—A mortgage described in this subparagraph is a mortgage—

"(i) under which the mortgagor is an individual who—

"(I) is employed on a full-time basis as—

(aa) a teacher or administrator in a public or private school that provides elementary or secondary education, as determined under State law, except that elementary education shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; or

(bb) a public safety officer (as such term is defined in section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b), except that such term shall not include any officer serving a public agency of the Federal Government); and

"(II) has not, during the 12-month period ending upon the expiration of such period and annually thereafter; and

"(ii) in the case of a mortgage of a mortgagor described in clause (i)(I), the principal residence located in the jurisdiction described in clause (i)(I) is employed on a full-time basis as:

"(I) a teacher or administrator in a public or private school that provides elementary or secondary education, as determined under State law, except that elementary education shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; or

"(II) a teacher or administrator in a public or private school that provides elementary or secondary education, as determined under State law, except that elementary education shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; or

"(III) a teacher or administrator in a public or private school that provides elementary or secondary education, as determined under State law, except that elementary education shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; or

"(IV) an employee of the Federal Government.

"(C) in the case of the initial interest rate (as defined in section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b)), except that such term shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; or

"(D) in the case of a mortgage of a mortgagor described in clause (i)(I), the principal property at least 1 percent of the cost of acquisition (as determined by the Secretary) in cash or its equivalent.

"(D) HYBRID ARMS.—The Secretary may insure under this subsection a mortgage—

"(a) specifically 12-month period completed during such

"(A) fixed for a period of not less than the first 3 years of the mortgage term;

"(B) initially adjusted by the mortgagor upon the expiration of such period and annually thereafter; and

"(C) in the case of the initial interest rate adjustment, shall be subject to the limitation under clause (2) of the last sentence of subsection (a) (relating to prohibiting annual increases of more than 1 percent) only if the interest rate remains fixed for 5 or fewer years; and

"(2) otherwise meets the requirements for insurance under subsection (a) that are not inconsistent with the requirements under paragraph (1) of this subsection.

(b) IMPLEMENTATION.—The Secretary of Housing and Urban Development may implement subsection (a) by publishing a notice in the Federal Register specifying the conditions under which such insurance shall be available.

(c) HYBRID ARM LIMITATIONS.—The Secretary shall not insure under this subsection a hybrid arm unless the Secretary determines that the mortgage meets the requirements for insurance under subsection (a).

(d) HYBRID ARMS.—The Secretary may insure under this subsection a mortgage that—

"(1) has an effective rate of interest that shall be—

"(A) fixed for a period of not less than the first 3 years of the mortgage term;

"(B) initially adjusted by the mortgagor upon the expiration of such period and annually thereafter; and

"(C) in the case of the initial interest rate adjustment, shall be subject to the limitation under clause (2) of the last sentence of subsection (a) (relating to prohibiting annual increases of more than 1 percent) only if the interest rate remains fixed for 5 or fewer years; and

"(2) otherwise meets the requirements for insurance under subsection (a) that are not inconsistent with the requirements under paragraph (1) of this subsection.

"(b) IMPLEMENTATION.—The Secretary of Housing and Urban Development may implement subsection (a) by publishing a notice in the Federal Register specifying the conditions under which such insurance shall be available.

"(c) HYBRID ARM LIMITATIONS.—The Secretary shall not insure under this subsection a hybrid arm unless the Secretary determines that the mortgage meets the requirements for insurance under subsection (a)."
CONGRESSIONAL RECORD—HOUSE
June 20, 2000

The CHAIRMAN. The gentleman from South Carolina reserves a point of order.

The Chair recognizes the gentleman from New York (Mr. FORBES) for 5 minutes.

Mr. FORBES. Mr. Chairman, I rise this evening offering an amendment to deal with the housing crisis in the United States. The costs of housing is rising far faster than the average working family can afford. I propose an amendment, first of all, that would make it easier for police, fire fighters and our public school teachers to get an FHA loan. It would create a new FHA adjustable-rate mortgage for all people to use; and the revenues that would be generated would help to fund additional housing for people who are disabled, the elderly, people with AIDS, and the homeless.

This is a critically important issue, not just to the people that I represent, in suburban Long Island New York, but across the country, where we have seen the price of housing skyrocket.

Like other areas around the country, they are plagued with high property taxes and very expensive, ever-increasing real estate prices. Despite the booming economy, no place is it more evident that the haves are doing better and the have-nots are doing worse than in the housing market.

Despite the booming economy, the rents and real estate prices are simply rising far faster than the rate of inflation. The cost of housing is clearly becoming more elusive and further out of reach for the middle class.

According to a study by the National Low-income Housing Coalition, housing costs have risen across the county, for example, are the fourth highest in the country. Just to be able to afford a two-bedroom apartment on Long Island, a family needs to have an average household income of $45,000; and buying a house is an even greater challenge, even for middle-income families in Long Island, and I believe most of the Nation. Suburban America particularly is mired in perhaps the worst affordable-housing crisis ever.

Median home sales on Long Island, New York, run about $200,000; median home sales prices have shot up from $134,000 to $160,000 in my county alone over the last 5 years.

I would reference a firefighter living in Suffolk County, New York, Dennis Curry, who is with the North Patchogue Fire Department, and his fiance, Michelle, who have been looking for a house for months. They want a modest three bedroom home so that they can have room for Michelle’s son and the child that they one day hope to have, but the only houses they were able to find were selling at best at $170,000.

The down payment requirements were staggering to them, and it would have meant every bit of their savings would have been taken up on the down payment alone, with little money left to fix or repair the house that was sorely in need of repair. So what are they forced to do? They have to postpone their dream. This fire fighter who dedicates himself to protecting our community cannot afford to buy housing in that same community.

Mr. Chairman, I would suggest that this is an issue that has gotten overwhelming support from this House. We have been honored, frankly, to see that almost 400 Members of this House have approved legislation that would allow public servants like our school teachers, our fire fighters, and our police officers to get into affordable housing with a minimum of 1 percent down. The fees generated, which would amount to about $14 million, would help pay for the extra housing needs that have been addressed at various times during this debate.

The elderly, the disabled, the people with AIDS, and the homeless would benefit from these increased fees. We would allow those who certainly work for the betterment of our community, who educate our children, who provide for the safe and secure communities we enjoy, we would allow these folks to get into affordable housing.

I think this is a good initiative, and I would ask that we have an opportunity, Mr. Chairman, to vote on this measure.

The CHAIRMAN. Does the gentleman from South Carolina continue to reserve his point of order?

Mr. SANFORD. I do, Mr. Chairman.

Mr. OBEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as I understand it, this amendment that we dealt with in committee which attempts to add housing for the elderly, add housing for the disabled, add housing for homeless assistance grants and add housing opportunities for people with AIDS.

The gentleman from New York in this amendment is attempting to pay for this amendment by taking three actions which the House has already endorsed and which would in fact raise money for the Treasury, which could then be used to finance these amendments.

Now, we have had objections raised on this floor for 2 weeks that we did not, in the amendments we were offering to these bills, provide proper offsets which the gentleman is attempting to pay for this amendment by taking three actions which the House has already endorsed and which would in fact raise money for the Treasury, which could then be used to finance these amendments.

Now, we have had objections raised on this floor for 2 weeks that we did not, in the amendments we were offering to these bills, provide proper offsets to those amendments. We suggested that those offsets ought to come from the majority party’s over generous tax package, over generous certainly in what it provides for the very wealthiest of Americans.

This House being given away already, just on the minimum wage bill alone, this House has voted to provide $90 billion in tax relief to people who make $300,000 a year or more. If this House can do that, it ought to be willing to get around a bookkeeping transaction in order to provide assistance to some of the folks who need it the most. Certainly these folks mentioned by the gentleman from New York do.

Mr. Chairman, it is suggested that this offset is out of order only because it is not authorized. I would say that that is the narrowest of technicalities, Mr. Chairman, because this House has already approved the legislation that contains the same transactions, and, if my memory is correct, or I should say more accurately if my notes are correct, it was approved with 8 dissenting votes and 417 in favor.

It seems to me Dick Bolling when he was here, who is probably the greatest legislator I ever served with, Dick Bolling, always attacked the idea that legislators would not agree on what he called “legislative dung hills” than they were policy issues. By that he meant that Members often spent more time defending committee jurisdiction than they did defending the interests of their constituents. It seems to me that allowing this minor technicality to stand in the way is doing just what Dick Bolling derided so eloquently in the years that he served in this House.

There is no public purpose to be served by admitting that this authorization is not going to become law, and, if that authorization becomes law, the offsets which the gentleman is talking about would be in perfect order.

I would simply ask, can we not bend even a little to help the people who are most in need of shelter in this country? If the answer is no, that is indeed regrettable. But this amendment is something that we should do.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I share the gentleman from Wisconsin’s lack of interest in jurisdictional fights, but for those who are inclined to disagree with us, I should note that the committee of legislative jurisdiction on this particular set of offsets passed it unanimously, so there is certainly no quarrel there, and the gentleman from Wisconsin is correct, this is a technicality.

I do support the right of people fairly to insist on technicalities, if they are, in fact, people who have been consistently technical. But the notion of legislating in an appropriations bill, my word, what will they think of next? We have seen appropriations bills in this Congress that had more legislation than appropriation. Indeed, as you people drop the appropriation, you increase the legislation. It is kind of a zero sum game.

I do not think, as was said by my Republican colleagues in legislating in an appropriations bill is like being accused by Wilt Chamberlain of being too tall. I mean, it just boggles the mind that a party...
which regularly legislates whenever it wants to in an appropriations bill would do this, and that is why the gentleman from New York's parliamen-
tary argument had such force.

We have a bill which has been sup-
ported by the authorizing committee uni-
animously, which was overwhelm-
ingly supported on this floor, in fact, it was amended somewhat on the floor. There were some concerns raised by the gentleman from Florida, who has been a very diligent watchdog in the interests of lower income people. So the form in which it survived, it was not some accident or some oversight, it received a lot of work, a lot of compromise. In fact, we worked this one out. And now to be told, well, we are going to knock it out because it has not yet completed the authorization process, is very hard to live with.

But I will make this proposition, be-
cause obviously a single Member has the ability to pursue this, it could have been protected by the Committee on Rules, but the Committee on Rules ap-
parentely did not take the lead in opposing to legislating in an appropriations bill, so they did not do this one. But by the time this bill goes to House-Senate conference, we will, I believe, have fin-
ished the authorization process.

So I guess I would say to the gen-
tleman from New York who has offered an excellent amendment, and let us be clear, the gentleman seeks to add funds to programs of uncontested popularity and moral worth, for helping the home-
less, for housing for the elderly. These are programs which are overwhelm-
ingly supported by local governments, by constituents, by the people who ben-
efit from them.

Mr. SANFORD. Mr. Chairman, will the gentle-
man yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from South Carolina.

Mr. SANFORD. Mr. Chairman, I would simply make the point that I think that the charge that the gen-
tleman is laying is an incorrect one, because we are really not talking about a single Member has not the ability to accept this now is the admi-
ensible consistency of the gentleman from South Carolina, he has been admi-
rable in his consistency and I appre-
ciate that, but if that is the only prob-
lem we have to adopting it now, I would hope when this bill finally comes before us as a real bill, and not the Hal-
frook false skeleton that it is now is, this amendment of the gentleman from New York will win in it, and the gen-
tleman from New York’s proposals will be accepted.

Mr. OBEY. Mr. Chairman, will the gentle-
man yield?

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

Mr. OBEY. Mr. Chairman, I would like to point out also that the pay-fors which the gentleman is trying to use in this amendment in fact help additional families, because the hybrid ARMs pro-
visions that are in the bill to use in this bill tonight would help about 55,000 more families purchase houses in fiscal year 2001, and reducing FHA down payments for teachers and uniformed municipal employees would again increase the volume of FHA single-family lending

The CHAIRMAN. The time of the gentle-
man from Massachusetts (Mr. FRANK) has expired.

(By unanimous consent, Mr. FRANK of Massachusetts, Mr. Chairman, I yield to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I would cer-
tainly think in a period where Mr. Greenspan and company have begun an upward ratcheting of interest rates, that we would be especially anxious to do these things. Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, I thank the gentleman for making the point. For those who may not be fully familiar with our jargon, let me make the point that “hybrid ARMs” referred to a particular form of mortgage, and it is not a hotel for people of uncertain gen-

With the renewed hope that in con-
ference, once the point of order does not lie, the very sensible prioritization of the gentleman from New York will survive, I yield back.

The CHAIRMAN. Does the gentleman from South Carolina (Mr. SANFORD) continue to reserve his point of order?

Mr. SANFORD. I do, Mr. Chairman.

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

Mr. Chairman, I had not planned on speaking, but listening to the last speech I think was a good desire that, but the ranking minority member, my friend the gentleman from Wisconsin (Mr. OBEY) continually talks about tax breaks for the rich.

The left, in any fashion, cannot even stand or comprehend giving people their money back. I do not think we ought to do that cuts power in this place, the ability to rain money down to different interest groups. It is just wrong.

The tax break for the rich, when we said the marriage penalty, people that get married, I do not think there should be a penalty for that. We do things backwards in this country with the IRS. I do not think we ought to tax work. I do not think we ought to tax savings. I think we ought to reward those. I think we ought to tax con-
sumption. A different system.

The death tax, you know, I do not mind someone owning the Ponderosa. This country is so great, because you can work hard and you can do any-
ting. Look at the people that have achieved, primarily those that have an advantage of education, but even the immigrants that come to this country. What a great country it is. I do not think anyone has more the Ponderosa.

As a matter of fact, I am excited about it, because that is part of the American dream. But my colleagues on the other side would have Little Joe and Hoss have to sell the Ponderosa because they cannot afford to pay the taxes on it.

The $500 deduction per child, that is not for the rich, that is for families. We pay too much taxes, and families are struggling to support themselves.

The Social Security tax, my colleagues on the other side, they just could not help themselves in 1993. They increased the tax on Social Security, and we did away with that. But yet that is a tax for the rich and our prior citizens.

Mr. Chairman, I would say to my col-
leagues on the other side, the rhetoric of tax breaks for the rich, they may get some of their people to believe it, but it is not so. They know it and I know it. They fought against the lock box for Social Security because it is a political issue, and we fought for a balanced budget. Alan Greenspan said it would make lower interest rates, and in 1993, the Democrats’ budget had deficits of $200 billion and beyond, forever; and they still increased spending and in-
creased taxes and took Social Security
money to even increase that and then drove us further in debt.

Mr. Chairman, we have a vision. With the balanced budget, locking up Social Security and paying down the debt, we pay nearly $1 billion a day on the national debt. Can we imagine, $1 billion a day. Can we imagine what we can do in this body without having a tax burden on the American people and our children and our grandchildren? I mean, that is a vision worth going after.

My colleagues fought against welfare reform, the left did, because they want to just keep dumping more money; and on every single bill, my Democratic colleagues would say, well, we could fund this if it was not for the tax break for the rich. They just cannot bring themselves to give people their money back. They have to spend it. Of course, there is one area in which the left will cut and that, of course, is defense in many cases. We tried to protect Medicare and they used it as a political pawn in the last election, but the President overrode them and signed the Medicare bill. The same thing with Social Security and tax relief.

This exercise up here of the left for the November elections is almost laughable. One of the most difficult things that we have to do, when we sit up here and we try and get more dollars to the classroom in education and the left says oh, you are cutting education; well, we actually increased education. A good example is the Democrats, the maximum they ever contributed to special education was 6 percent. In 5 years, we got that, including Medicaid, up to 18 percent. We increased the budget $500 million this year for special education, which none of the Democrats, or very few of them voted for it; but yet they say, the Republicans are cutting education. That is rhetoric, the same as tax breaks for the rich.

The CHAIRMAN. Does the gentleman from South Carolina continue to reserve his point of order?

Mr. SANFORD. I do. Mr. Chairman.

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

Mr. Chairman, I think that there is a lot of that rhetoric that ought to be corrected, and I think we have an opportunity to do so.

I yield to the gentleman from Wisconsin (Mr. OBEY).

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

We have heard a very interesting rewrite of history, and I would like to give the facts rather than fiction.

Before Ronald Reagan came to office, we never had a deficit larger than $70 billion—through this Congress a proposal which doubled military spending at the same time that it provided very large tax cuts. The result, we wound up with deficits approaching $300 billion, and we have been trying to dig out from those deficits for the last 18 years. Those deficits have added another trillion to the Nation’s indebtedness.

President Clinton proposed that we change course, and he passed his budget in 1993 with not a single Republican vote in either House, and that budget put us on the road to deficit reduction. It was predicted at the time by the majority leader of the House and by the Speaker of the House that it would lead to record unemployment and a doubling of deficits. Instead, it did just the opposite, and anyone except fiction readers and writers recognize that.

When George Bush walked out of the White House, his prediction for the deficits for that year was $323 billion. A little different picture today. We now have people in this country, despite the fact that the Republican-controlled Congress in each of the last 2 years actually appropriated more money than President Clinton asked for, and so now we have surpluses, and the question is, what should we do with them.

The Republican Party’s answer has been that we should provide a minimum wage bill of $11 billion worth of benefits to minimum wage workers, tied to a tax cut of $90 billion for people that make over $300,000 a year. They have proposed eliminating the inheritance tax. They claim that they are defending farmers and small business. Only one out of every 6,000 beneficiaries in that bill is a farmer or small businessman. So in contrast to our inheritance package, which would have exempted inheritances of up to $4 million per family, they said no, take off the whole lid. So they gave Bill Gates a $6 billion break; they gave the top 100 rich families over $200 billion in tax cuts over 10 years.

Now they begrudge us our effort to provide this tiny little bit of housing for the poorest people in this country, paid for by an amendment that will raise money by providing additional housing for yet other people.

Mr. Chairman, it seems to me the record is clear. It seems to me our obligation is clear. We ought to pass this amendment.

Mr. HINCHey. Mr. Chairman, I yield to the gentleman from New York (Mr. FORBES).

Mr. FORBES. Mr. Chairman, very quickly, I thank the gentleman for yielding. This is critically important. I mean, the gentleman from California just a moment ago referenced the rich and the poor. Well, let us look at these public servants. Let us look at these public school teachers who cannot afford to buy a home in the community where they work. Let us look at the firefighters who are protecting our communities who cannot afford to buy a home where they are protecting our communities and our property and our lives. Look at the police officers who keep us safe and secure in our communities, and yet they cannot afford to buy a home in that same community.

I think this is a critically important need. As the gentleman from Wisconsin referenced, we come to the floor with the opportunity to do good for these public sector employees as well. And at the same time, raising the necessary revenue from fees that are a part of the FHA program that would further allow the disabled, people with AIDS, the elderly, to get into homes. I applaud my friend from New York, the chair of the subcommittee and the members of the subcommittee who, frankly, were working against great odds and very limited allocations.

But we have given them a way to solve this particular problem. They can allow school teachers, police officers and firefighters to get into housing; and at the same time, they can fill the need that so many in this Congress who have provided bipartisan support for the need to provide additional housing for the elderly, for people with AIDS, and the disabled.

The CHAIRMAN. Does the gentleman from South Carolina continue to re-serve his point of order?

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

I yield to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Chairman, nice spin from the left. I would tell my colleague that in every case when the Speaker was Newt Gingrich, he voted every single time with the then majority until the gentleman went to the Democrat side.

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

Mr. CUNNINGHAM. I will not. The Contract with America the gentleman supported: the gentleman supported impeachment.

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

Mr. CUNNINGHAM. I will not yield.

Mr. FORBES. Mr. Chairman, if the gentleman from California (Mr. CUNNINGHAM) is going to characterize my record, I should be allowed to respond.

Mr. CUNNINGHAM. Mr. Chairman, those are the gentleman’s actual votes. Mr. FORBES. Mr. Chairman, the gentleman is using a broad generalization.

The CHAIRMAN. The gentleman from New Jersey (Mr. FRELINGHUYSEN) controls the time.

Mr. CUNNINGHAM. Mr. Chairman, in every case, in most of the cases, the gentleman voted with the majority; but now it has changed.

Mr. Chairman, I would like to respond to the spin on Ronald Reagan. Ronald Reagan only had the Senate for one term, and if we take a look at who controls the spending in this place, it is the Congress, not the President.
Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman from New Jersey yield for corrections? It is the gentleman from New Jersey's time.

Mr. CUNNINGHAM. Mr. Chairman, I will be happy to yield in a minute.

Mr. FRANK of Massachusetts. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRANK of Massachusetts. Is it not the person who controls the time who has the right to yield?

The CHAIRMAN. That is correct.

Mr. FRANK of Massachusetts. Mr. Chairman, in the case of Ronald Reagan, it is the Congress that controlled spending, not the President.

The President talks about the economy and how good it is. He has not passed a single budget since we took over the majority, except in 1993 when the Democrats controlled the House, the White House, and the Senate. The only mistake that I think that Ronald Reagan made was that he did not veto enough bills, but at that time the Democrats had such a large majority, it would have been difficult to override a veto.

Mr. Chairman, it is the Congress that spends, not the President. The President worked with the Congress, a Democrat majority, to reduce taxes, just like President Kennedy did, because both President Kennedy and Ronald Reagan knew that if we reduce taxes, we are going to increase revenue into the Treasury, and that is a fact. You can try to dispute it, but it is a fact.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman from New Jersey yield for disputing?

Mr. CUNNINGHAM. Mr. Chairman, my colleagues will continually bash Ronald Reagan; they will continually say tax breaks for the rich, but it just is not so. They can spend, they can try to rewrite history, but it just will not work. The fact is that the left cannot stand tax relief, even if it is for the middle class. They increased the middle-class tax in 1993, they increased the tax on Social Security, they increased the gas tax, they cut the military, they even gave us a retroactive tax, if my colleagues remember that. Not many people remember that one.

We have tried to go back, and we have reduced the Social Security tax; we have given working families and their children a $500 deduction. Capital gains paid for itself; ask Alan Greenspan. It gives us lower interest rates, putting Social Security into a lock box; it helps us pay down the debt, the national debt, which will take away from our children the burden that is on our backs. On the other side, in every single one of these bills, you watch, line item by line item, they want to spend more money, spend more money for this; and we could spend this if it was not for the tax break for the rich.

I can see my colleagues do not like that, but it is the truth. Over and over and over again, they cannot stand tax relief. That is why they fought us on the balanced budget; that is why they fought us on welfare reform, because it takes their ability to spend away. When they spend and spend and spend more than we have coming in, that builds up the debt, and over a long period of time, it has taken its toll.

Mr. CHAIRMAN. Mr. Chairman, I yield back my time.

The CHAIRMAN. Does the gentleman from South Carolina continue to reserve his point of order?

Mr. SANFORD. I do, Mr. Chairman.

Mrs. CLAYTON. I move to strike the requisite number of words.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Mr. Chairman, I yield my time.

Mr. SANFORD. I move to strike the requisite number of words.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mrs. CLAYTON. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentlewoman for yielding. I was disappointed that the gentleman from New Jersey, when we thought we were having some back and forth, would not give us time.

I did want to point out to the gentleman from California that Ronald Reagan had a Republican Senate for 6 of his 8 years. That is a fact that even I believe the gentleman from California would probably have a hard time disputing. At no point was there ever in the House a majority approaching an overridable veto. Yet, it was Ronald Reagan that faced this overwhelmingly Democratic Congress is one more figment of the imagination of the gentleman from California.

Mrs. CLAYTON. Mr. Chairman, I rise in support of my colleagues.

Unlike the bill before us and many of the amendments we have considered, this amendment takes us in the right direction. I know that the chairman and the ranking member indeed were working with constraints, but nonetheless, this bill takes us in the wrong direction.

I listened to the debate in the Molohan amendment. The Molohan amendment was timely and urgent. I regret a point of order was raised against it, and I regret my colleagues did not sustain it, but against this amendment.

It is for that reason that I intend to oppose the bill. The bill does not go far enough, deep enough. It is not about spending but it is about the priorities of the American people. It is not deep enough in addressing the serious and growing housing problem confronting this Nation.

For some, Mr. Chairman, this is the best of times. The United States is enjoying the longest sustained period of economic growth in the history of the Nation. Despite these rosy economic pictures, many are being left out. For those, these are the worst of times.

For at least 20 years now, there has been a forking in America that affects the very quality of life for most Americans. It is an alarming and disturbing trend because fewer Americans can afford healthy meals, fewer can afford health care, fewer can afford education, fewer can afford decent housing and other means to a better life.

Housing is basic. Housing affects every person alive on the Earth, regardless of gender, race, class, religion, nationality, educational attainment, or marital status. The lack of adequate housing is a problem, but the lack of affordable housing is even a greater problem. A growing number of poor households have been left to compete for a shrinking supply of affordable housing.

Some may find this surprising in light of the economy. However, there are many, many, almost 1.5 million, who are said to be homeless in America today.

A recent article in the Washington Post described the high-tech homeless. In its profile several individuals were cited who were employed, in fact were earning good salaries, and they found themselves homeless because of the high cost of housing where they live. It is shocking. An executive in Silicon Valley who was earning $125,000 annually, when he lost his job suddenly, he was evicted from his apartment within one month. Another woman who earns $36,000 could not find affordable rental housing for her and her family.

It seems that while 250,000 new jobs have been created in Silicon Valley for the past 10 years, only a little better than 40,000 new housing units have been constructed, leaving a fierce demand and limited supply.

Recently there have been records in mortgage interest rates, leaving many people to believe that housing in the United States is more affordable than ever. That is not true. Despite the low mortgage rate, fewer people are able to afford to purchase homes. That is principally because income growth for the poor and the working poor has been weak.
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This group of Americans are called cost-burdened, according to HUD. That means they are spending more than 50 percent of their income on housing. The poor and the working poor find themselves on a treadmill going nowhere. While all the attention has been placed on low interest rates and affordable mortgages, the spiraling costs of rental housing have been completely ignored. There are actions we can seek to begin to take, and we should do it immediately by accepting these amendments. I want to put on record that the Congressional Black Caucus has made a pledge, and it is working in partnership with the private sector, to help and indeed to promote 1 million new homeowners in the next 5 years.

Our pledge was recently also reinforced by the Secretary of HUD, Secretary Cuomo, who said he wanted to build 750,000 new homeowners. I know a point of order indeed will be considered, but I must oppose this bill. It is wrong for America. It is moving in the wrong direction.

The CHAIRMAN. Does the gentleman from South Carolina (Mr. SANFORD) continue to reserve his point of order? Mr. SANFORD. I do, Mr. Chairman.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment of my dear friend and colleague, the gentleman from New York (Mr. FORBES) which will help firefighters, public school teachers, and police obtain better housing, affordable housing.

Every year the majority party underfunds affordable housing. Every year the President and Secretary Cuomo are forced to negotiate for every last family. Unfortunately, it looks like we are headed down the same road again. The VA-HUD bill is cut $6.5 billion below the President's request, and the President would be right to veto this bill.

Mr. Chairman, earlier my colleague, the gentleman from Wisconsin (Mr. OSEY), pointed out the record of this administration in balancing the budget deficits that haunted our country throughout the 1980s, deficits created during the Reagan years which he pointed out reached $4 billion. But this administration understands that the way to balance the budget is not to prevent low- and moderate-income people from having access to homes.

One critical area that the bill is very bad in is public housing. The bill cuts public housing funds $120 million compared to last year's level. Nationally, the average waiting list for Section 8 housing is more than 2 years. While the administration proposed 120,000 new Section 8s, I think with vouchers, this bill merely holds out the possibility that 20,000 may be funded if some overly optimistic Section 8 recapture levels are achieved.

This bill is especially hard on New York City and New York State. In New York City, the housing authority reports there are over 151,000 families waiting for public housing. There are over 216,000 waiting for Section 8. These two lists combined is over 303,000 people who are waiting for low-income affordable housing in New York City alone, and this bill does them a great disservice.

The turnover rate in housing in New York is minuscule, 3.8 percent for public housing and less than 5 percent for Section 8. The only way to help needy people and needy people across the country find homes is to provide new vouchers and fair funding for public housing, and I would say the passage of this amendment.

We also have a huge problem in New York with expiring Section 8 contracts. In my district this is affecting thousands of people. In recent years I have been successful in working with HUD to preserve some of this housing through the mark to market programs. Thanks to HUD funding, thousands of people living in Renwick Gardens and 209 East 36th Street complexes in my district retained their Section 8 housing. Today my biggest concern is the Marine Terrace complex in Queens, where again Section 8 contracts have run out for thousands of families and thousands of families may lose their homes.

Mr. Chairman, we keep hearing about compassionate conservatism in the press, but there is no compassion in this bill. Programs under VA-HUD benefit some of our Nation's most needy citizens, and this bill does them wrong. This bill provides no new increased funds for elderly housing, for homeless assistance grants, for housing opportunity for the disabled, for homeless assistance grants.

The record of this Congress on housing matters is exceptionally poor for New York State, New York City, and I would say the entire country over the past 6 years. In fact, this bill funds homeless prevention programs at a level 21 percent lower in real terms than 6 years ago, when the Democrats were in the majority. Elderly housing is funded 53 percent lower than 6 years ago, public housing is 77 percent less than 6 years ago, and home ownership counseling is funded 70 percent less than 6 years ago.

Mr. Chairman, the people who benefit from these programs do not have high-paying lobbyists representing them with these secret 527 groups pushing their special interests. They are simply needy Americans who need housing assistance.

So I call on my colleagues to support Section 8. This bill, which is doing something to help affordable housing across the country, but overall, this bill hurts housing. It is a bad record. It has been a bad record for housing for the past 6 years. I urge my colleagues to support my colleague's amendment, but the overlying bill is just plain bad policy, especially in a time when we have surpluses.

The CHAIRMAN. Does the gentleman from South Carolina (Mr. SANFORD) continue to reserve his point of order? Mr. SANFORD. Yes, Mr. Chairman.

Mr. MOLLOHAN. Mr. Chairman, I have had the privilege of serving as ranking member of the Subcommittee on VA, HUD, and Independent Agencies under the service of our very distinguished and able chairman, the gentleman from New York (Mr. WALSH) for a year, and this is my second year.

It has been a distinct pleasure to serve under our distinguished chairman and serve under the chairman as he has processed these bills, and as I said in my opening remarks, he has been extremely fair and responsive to the minority as we have worked through them.

One of the areas of the bill that I have been very impressed about his support for is the area of the bill that we now are debating, which we are debating, the HUD section. He has been a real advocate on the committee, and exercised his leadership role to the advantage of public housing and all the programs that this amendment really speaks to.

I have to conclude from that that the chairman overall, and not speaking specifically about any particular provision, supports this idea of funding these programs that we were not able to fund at the President's request.

The other gentleman from New York (Mr. FORBES), I am extremely impressed with the amendment he has come up with here. He has not only expressed his concern for our level of funding, an inadequate level of funding for housing for the elderly, for housing for the disabled, for homeless assistance grants.

He has not only expressed his concern with it and come up with dollar increases for it, but he has done what many amendments, including my amendment, did not do tonight: He has come up with the funding for it. It is an excellent source of funding. I think the gentleman from New York (Mr. FORBES) is to be commended for his ingenuity here. He has taken a piece of legislation that we have passed on the House floor, H.R. 1776, the American Home Ownership and Economic Opportunity Act, and taken provisions out of that to fund this bill, to find $114 million in the first year.

What is significant about that? What is significant about it is that the House has already expressed its attitude about the provisions of this legislation. We passed this act in the House on April 6 of this year by a vote of 417 to 8, so the House has already expressed
its will on the authorizing provisions that the gentleman from New York (Mr. FORBES) is offering to fund the increases in housing for the elderly up to the President's request of $779 million, all that has to happen to increase funding for Section 8-11 housing for the disabled up to $210 million, and to increase homeless assistance grants, which is desperately needed, by $20 million, would be for the gentleman from South Carolina (Mr. SANFORD) to repeal his point of order on this amendment.

Mr. Chairman, I would suggest if that were to occur and we had no other objection raised we would be affirming, if you will, a vote that has already occurred in the House, as I say, on April 6. With a spending majority reduced to 8, the Members of this body approved the funding mechanisms that the gentleman from New York (Mr. FORBES) is suggesting to fund this, if the gentleman from South Carolina would release his point of order. If he did that, we would be funding these accounts, authorizing the provisions in the appropriation bill, doing what the House wanted to do with the American Home Ownership and Economic Development Act, do what the National Association of Realtors is asking us to do, to authorize these provisions, and at the same time increasing funding to the President's request in some cases, and in some cases, like the housing account, providing $20 million more to programs that are extremely worthy.

I would ask the gentleman from South Carolina (Mr. SANFORD) if he would release his point of order and we could discuss it. We have two housing and energy proposals on a real bipartisan basis, approve the amendment offered by the gentleman from New York (Mr. FORBES) to fund these projects.

The CHAIRMAN. Does the gentleman from South Carolina (Mr. SANFORD) continue to reserve his point of order?

Mr. SANFORD. Unfortunately, I do, Mr. Chairman.

The CHAIRMAN. The gentleman reserves his point of order.

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

Mr. Chairman, just to respond to my colleague, I would simply say that my colleague from New York and, frankly, a lot of other colleagues both on the Democratic and Republican side of the aisle have been very consistent in their advocacy, whether it is for helping fire fighters or policemen or teachers; and I admire that. I really do.

My contention and the reason I raise this point of order tonight is simply tied to a belief, again, I was elevated on this, that our Founding Fathers set up a rule of law based on equality under the law.

Any time that I see a fire fighter and a policeman and a teacher, all of whom do great benefit to our society, I also have to ask, well, does a welder do great benefit to our society, or does a private school teacher do great benefit to our society, or does a nurse working for a private hospital do great benefit to our society. I believe that they, too, help out. They are not in the public sector, but they do make a contribution to society.

So my objection is solely based on the idea of equality under the law, and that is the reason I would insist on my point of order.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SANFORD. Certainly I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I would like to say that I raise the question about the legitimacy of the point of order. I want to make it very clear the gentleman from South Carolina (Mr. SANFORD), given his intellectual honesty, has every right to raise a point of order. I would just say this, any Member who, unlike other Members, sticks by his term limits pledge is entitled to raise this point of order.

POINT OF ORDER

Mr. SANFORD. Mr. Chairman, I raise a point of order. Reluctantly, I raise it, not against the gentleman from New York (Mr. FORBES), but against the underlying amendment in that it directly amends existing law in several respects in violation of clause 2 of rule XXI specifically.

The CHAIRMAN. Does anyone wish to be heard on the point of order?

The Chair finds that this amendment directly amends existing law. The amendment, therefore, constitutes legislation. The point of order is sustained. The amendment is not in order.

The Clerk will read.

The Clerk reads as follows:

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, $20,000,000 to remain available until expended, which amount shall be awarded by June 1, 2001, to Indian tribes, Indian allottees, State housing agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative and economic development activities in rural areas: Provided, That all grants shall be awarded on a competitive basis as specified in section 102 of the HUD Reform Act of 2000.

AMENDMENT NO. 36 OFFERED BY MRS. MEEK OF FLORIDA

Mrs. MEEK of Florida. Mr. Chairman, I offer an amendment.
promised and told their constituents that they would get Empowerment Zones. In my state of Georgia; Riverside, California; Benton, Arkansas; Detroit, Michigan; Seoul, South Korea; and 30 other cities were bypassed.

These distressed communities will benefit enormously by a strong and committed Federal investment that leverages private sector dollars. This is not government money alone. They leveraged private sector dollars. In fact, the comparatively modest Federal investment of $1.5 billion over 8 years for the 15 urban Round II Empowerment Zones alone will generate an additional $17 billion in local investment, 35 percent of which is leveraged by the private sector. Mr. Chairman.

These are important zones. I want my colleagues to know that Empowerment Zone designation is not an easy process. Distressed communities had to work long and hard before being designated as Empowerment Zones. It is a very competitive process. The prospect of having an Empowerment Zone brings together all segments of the community, public and private.

Every year that we do not fully fund Round II Empowerment Zones, the harder it becomes to get these coalitions together. Imagine, Mr. Chairman, bringing the private sector to the table, working with public entities, and planning for an Empowerment Zone; yet when it is time to have them funded, it is a very solid issue.

I know firsthand about the process. I cochair, along with the gentleman from Florida (Mr. DIAZ-BALART), the Empowerment Zone Committee for Miami. We worked many months and countless hours working with the local government, businesses, community development corporations, and community leaders preparing the Empowerment Zone application. When we were finally chosen, there was no funding. That was a cruel joke for the gentleman from Florida (Mr. DIAZ-BALART) and myself for Round II Empowerment Zones.

A key element of the program for Round I participants was Federal funding, the Federal Government came through with that, made available through the Title XX Social Service Block Grant Program. Mandatory Social Service Block Grant funds provide a consistent and reliable source.

The CHAIRMAN. The time of the gentlewoman from Florida (Mrs. MEEK) has expired.

(By unanimous consent, Mrs. MEEK of Florida was allowed to proceed for 1 additional minute.)

Mrs. MEEK of Florida. Mr. Chairman, the funding for the Round II Empowerment Zones has been impossible. Last year, the VA-HUD appropriations bill for fiscal year 2000 included $3.6 million for each Round II Empowerment Zone instead of the expected $1.5 million.

Recently, in the agreement announced by the White House and the Speaker, funding was again promised as a part of the deal, not to mention a third round of Empowerment Zones. I am just asking this committee and this House to keep faith with the promise they have made to the American people for Empowerment Zones, and working very hard toward trying, through this process, to do what is right, to fund these zones.

Mr. Chairman, we must finish the work which we have begun and fund these Empowerment Zones. I ask the Members to vote positive for my amendment because it is a people's amendment.

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) continue to reserve his point of order?

Mr. WALSH. Reluctantly, Mr. Chairman, I do.

Mrs. CLAYTON. Mr. Chairman, I move to strike the requisite number of words to speak briefly in support of the amendment to increase the funding committed for Empowerment Zones.

I also want the gentlewoman (Mrs. MEEK) to know that the value of the gentlewoman's amendment is far understated. I ask the gentlewoman from Florida (Mrs. MEEK) to enter into a colloquy with me.

My understanding is there was an appropriation both for urban and rural. Since I come from rural America, I can tell the gentlewoman that we need to have the tax incentives to stimulate the economic development.

I was in New York over the weekend. The gentlewoman from Florida was and saw the impact of an Empowerment Zone which had become an economic engine using high-tech and Bell Atlantic to generate jobs. To have that kind of partnership between the public and the private sector, the city, the State, and the Federal Government working together, I think it was an excellent example, some of the best practices how we can have economic development.

Now, coming from rural America, I want to see that, whatever increase comes, it would also have an opportunity for those of us who live in rural America because we have been short-changed by this economy, short-changed by sometimes the appropriation; and we do not want to be left out of the formula.

I support the concept and support the gentlewoman's amendment, but I want to make sure that I heard that rural America had the same opportunities. Mr. Chairman, I yield to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Yes, Mr. Chairman. I think the gentlewoman from South Carolina has a point about the impact of our economy, not just as much opportunity in rural areas as in urban areas. They have the same needs for economic development. The gentlewoman has been a strong proponent of rural housing since she has been here. What any better way than to have an appointment as an Empowerment Zone.

I also want the gentlewoman to know that the Round II Empowerment Zones...
have many rural communities involved in them. Many of them were enterprise communities, but there were some who had Empowerment Zones as well.

Mrs. CLAYTON. Mr. Chairman, re-
claiming my time, did it include Em-
powerment Zone and enterprise com-
munity, both rural and urban areas?

Mrs. MEEK of Florida. Mr. Chair-
man, if the gentlewoman will yield, is correct, both of them.

Mrs. CLAYTON. Mr. Chairman, Round II would have meant that they would have continued those that were in existence?

Mr. Chairman. I yield to the gentle-
woman from Florida.

Mrs. MEEK of Florida. If the fund-
ing level they were promised, Mr Chair-
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Mrs. CLAYTON. Mr. Chairman, we had one in our district, and I will tell the gentlewoman they are suffering. We had water and sewage provided, but we have not had the second provision for the enterprise community. We did not get an Empowerment Zone.

But even the enterprise community allowable to bring water and sewer and to entice economic development. Now that they are almost ready, we do not have that additional resource to make sure we have the kind of infra-
structure that would attract the busi-
nesses to those communities. We do not have the money for the staff capacity. As the gentlewoman well knows, the collaboration to make this hatch requires a lot of people working to-
gether, and you need to have staff in order to do that, and that is what we are suffering from.

Mr. WALSH. Mr. Chairman, if I entertain the gentlewoman from New York, (Mr. WALSH) state his point of order.

Mr. WALSH. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The Committee on Appropriations filed a suballocation of budget to-
tals for fiscal year 2001 on June 20, 2000. This amendment would provide new budget authority in excess of the sub-
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The CHAIRMAN. Will the gentleman from California (Mr. CUNNINGHAM) speak and listened to the gentlewoman from Florida (Mrs. MEEK) speak. I am a supporter of empowerment zones and enterprise zones. I am a former city council president. I am a city person. I know the need and I know they are needed in rural areas too. But we just cannot encompass that in this bill. It would also put us over our allocation in violation of the Budget Act. So, re-


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paycheck or are neglecting other basic needs, such as nutrition or health needs because of the high cost of housing. This bill really does not serve everyone. And I cannot in good conscience, and I hope many of us here tonight, will not vote for this and neglect our constituents and other Americans. Housing really should be a basic human right.

So let us go back to the drawing board and put forth a budget that values the housing requirements of the poor, of our senior citizens, of the disabled, of the homeless, and of our working men and women, who deserve a decent and affordable place to live. That is the right thing to do.

Mrs. JONES of Ohio. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in opposition to H.R. 4635, the VA-HUD Independent Agencies appropriations bill. I stand opposed to this bill because the American people cannot stand here today and accept the cuts and opposed to the bill’s funding levels because, in the midst of economic prosperity for many, others have been left out of the process. We must provide hope with support for children, families, and communities suffering all across this Nation.

I cannot support this bill that turns its back on the affordable housing crisis in America. I cannot support a bill that overlooks 5.3 million households, or 12.5 million Americans, with serious housing needs. Moreover, with the average waiting period for Section 8 vouchers or public housing units being over 2 years, we cannot afford to wait. We must provide relief to this ever growing problem. We must provide increased funding not only for affordable housing and public housing but for elderly housing as well.

CDBG, the Community Development Block Grant program, was developed for communities with low to moderate incomes. Since 1974, CDBG has been the backbone of communities. It has provided a flexible source of grant funds for local governments to devote particular development projects and priorities.

I am tired of hearing about Wall Street’s prosperity. Let us see a little prosperity running down East 105th Street in Cleveland, which is in my district. This bill cuts progress that would come to communities via Community Development Block Grant funds.

Within CDBG, this bill cuts $44 million from Section 108 loan authority, cuts every community development program, and also cuts $275 million from the HOME funding level.

Let us talk about homeownership and affordable housing. Housing and expanding homeownership is of great concern to the 11th Congressional District. We must find solutions to provide affordable housing for all. H.R. 4635 does not get us there.

This bill cuts the President’s housing request by more than $2 billion. This reduction denies the request for 120,000 new rental assistance vouchers, has a $78 million cut in elderly and disabled housing, and a $15 million cut in providing housing assistance for people with HIV/AIDS. Shame on this Congress if we do not provide the necessary aid for those who need it most.

In addition to neglecting housing, economic development is forgotten as well, for this bill provides zero funding for empowerment zones, zero funding for APIC loan guarantees, cuts in the New Markets Initiative, and a 20 percent cut in funding for Brownfields re-development.

This appropriations bill is a reverse Robin Hood. Yes, it robs neighborhoods all over this Nation. It robs communities that use CDBG funds for child care, Meals on Wheels, and other community programs.

We want to expand homeownership opportunities, let us do it the right way. Include funding for HOME funding, which funds low-downpayment homeownership programs and affordable housing construction. This bill cuts HOME funding by $65 million. Let us fund housing counseling, which helps in the fight against the growing problem of predatory lending. This is counseling which is needed across this country as the predators continue to prey on low-income persons who really need counseling advice.

What is the reality here? The reality is that this appropriation bill does an injustice to Americans all over this Nation who need help. We cannot continue on this road of denial and neglect. We cannot in clear conscience support H.R. 4635 and then move to the upcoming celebration of independence on July 4, for there are people who are still not free: Homeless persons, those with disabilities, those with living conditions, and those living in deteriorating communities.

We must never forget the words inscribed at the Statue of Liberty: “Bring me your tired, your poor, your huddled masses yearning to breathe free.” Let us breathe free by being a just Congress, a just House of Representatives, a House of the people, by the people and for the people.

Support housing, support community development, support the elderly. Oppose H.R. 4635.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COMMUNITY DEVELOPMENT FUND (INCLUDING TRANSFERS OF FUNDS)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, $4,505,000,000: Provided, That of the amount provided, $14,000,000 shall be for grants pursuant to section 107 of the Housing Act of 1937, as amended (42 U.S.C. 1437f-2), to remain available until September 30, 2003: Provided, That $67,000,000 shall be for flexible grants to In-
Now, Mr. Chairman, I understand my amendment raises community development funding only to the level of $4.9 billion. I recognize that my amendment is a very reasonable compromise that I am certain the subcommittee chairman and my colleagues can enthusiastically support.

I also understand that there is no offset for this amendment, and I understand that this would not change the total for CDBG, $4.505 billion, is $95 million less than the $4.6 billion provided by the Conference of Mayors, in which I am sure, just reading this letter; and they are calling for a funding increase of $3 billion.

We keep saying we want to return the money back to the people. What is any better way to return this money we keep hearing about back to the people? The $3 billion that we are asking for will help these crumbling cities, and it will keep us going in our cities and in our rural communities, as well.

It is important to note that the bill's total for CDBG, $4.505 billion, is $95 million less than the $4.6 billion provided for CDBG than there is now. Think about it. Someone is mathematically challenged here. With 6 years of inflation, the cut in CDBG purchasing power since fiscal year 1995 is actually about 15 percent, which is a huge cut in a program that works so well and does so much good.

All of my colleagues realize and understand the CDBG program. It is one of the most popular government programs, which keep saying we want to adequately fund proven programs. CDBG is a proven program. It provides communities with flexible funding to develop and build housing and economic development projects that primarily benefit low and moderate income people.

Probably most of my colleagues have CDBG projects in their district that have either been completed or are under way. CDBG funding has been provided locally. We are going back again to sending the money back home. It is not administered from here but back home. Very often they are able to leverage it.

This is the right time, Mr. Chairman, to increase Community Development Block Grant appropriations to take advantage of this real strong economy. What better time can we have that we can leverage it than now?

My amendment, Mr. Chairman, presents a tremendous opportunity to help this Nation and it is one of the tools that cities can turn to. When we drive through Washington, Virginia, wherever we go in this country, we will see these low, run-down communities.

Why can we not build our communities? We have more money being sent to foreign nations than we have trying to build our communities. There is something wrong with that, Mr. Chairman. It is wrong-headed. There is something wrong in poking ourselves in the nomenclature of denial. That is what we are doing. We are denying these people who can help their communities, who can leverage this. There are so many people in this country who want to invest, Mr. Chairman, in some of these communities.

So I am asking my colleagues to support this amendment. It does not involve an offset. The VA bill is terribly underfunded as it is.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The time of the gentlewoman from Florida (Mrs. MEEK) has expired.

(By unanimous consent, Mrs. MEEK of Florida was allowed to proceed for 1 additional minute.)

Mrs. MEEK of Florida. Mr. Chairman, my amendment does not include an offset. This VA-HUD bill is already terribly underfunded as it is. The chairman and the ranking member have worked very hard to try to get us better funding than we have, but we are still in that position. We are tied down by the constraints, our own constraints. We put an albatross around our own necks.

When we go back to our communities, our people will not know anything about offsets. They do not know anything about that. But they do know when their communities are crumbling under their feet.

So I am hoping that no one will make that point of order, that this House will adopt my amendment today and adequately fund the CDBG program. I would like to see those who have been left behind by the booming national economy.

I spent some time on Wall Street the other day, Mr. Chairman. I was shocked. I am a senior citizen. I have never been on Wall Street where I was at the Stock Exchange. And it was marvelous to see where the money is turned over. But do my colleagues know what? It is not getting back to those communities, to those poor people whose government can help these people.

The CHAIRMAN pro tempore. Does the gentleman from New York (Mr. WALSH) insist on his point of order? Mr. WALSH. Yes, I do, Mr. Chairman. I continue to reserve my point of order.

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

Mr. Chairman, this debate can go on and on and on and it probably will sort of ad nauseam. I support the gentlewoman from the great State of Florida (Mrs. MEEK).

For the life of me, it is difficult to understand where some of my colleagues are coming from when they talk about cutting efforts and reducing resources toward an issue that seeks to expand homeownership.

We have one sort of valuable asset that most people own in their lives, we all hope to invest in stocks that will generate huge yields and make a lot of money for us, but the truth be told, the one major asset, the most valuable asset that most Americans will control or own in their lives is a home.

We are close to 5% million people. In this Congress, we often use the term “low income” to describe some of the folks that will benefit from this initiative. But whether they are low income or middle income or even high income, they are still Americans. There are 5.4 million who have worse-case housing scenarios.

Empowerment Zones and Community Development Block Grants really empower cities and local players working with the market and those in the private sector to come up with solutions to help expand homeownership and expand economic opportunity of all Americans.

I was on that trip with my colleague from Florida (Mrs. MEEK) to New York and did not have the opportunity to visit the New York Stock Exchange as some of my other colleagues did, but I have had opportunity in the past.

I hear so many of my colleagues often talk about how government is around people’s necks and it is squishing innovation and creativity and wealth in America. Let us deal with a few facts for one moment.

The Dow has grown three times over the last 8 years. Some people suggest that this President has not been a good one, but I think he deserves just a small bit of credit for not standing in the way of those entrepreneurs and business people from growing this economy.

Wealthy Americans have seen their wealth. Some of them have doubled, tripled. Some have even quadrupled. I love that. I support that. That is what distinguishes our Nation from so many other countries around the globe, why so many people seek to come to this great Nation.

We in government in a lot of ways have a responsibility to ensure that we bring the market to those communities and those neighborhoods that ordinarily might not benefit and might not, I should say, see the benefits of a strong economy.

When we bring the market to communities that ordinarily do not see it, and I applaud the President’s new market initiative and even some on that side that have come up with innovative ideas, my colleague from Oklahoma and other members in that caucus on their side, they knew ways to bring more people into this new economy, it would seem to me that Empowerment Zones and Community Development Block Grants would be something that
those on the other side would be eager, would jump to support.

In my estimation and in many of my colleagues’ on this side, and I would agree with the young gentlewoman from Florida (Mrs. MEEK) the nomenclature, the terminology we use here is confusing not only to those at home but even sometimes to those of us in this Congress, we choose, in my estimation, to squander this moment.

Instead of taking the opportunity to invest in folks who want an opportunity, who want a chance, we have chosen not to. Shame on us as a Congress. We will have only ourselves to blame if we look back a few years from now and realize that this window is closed and we took no opportunity to expand HOPE, to expand opportunity to hundreds of thousands and perhaps millions of Americans crying out for this chance.

From a parochial standpoint, I have thousands of people on the section 8 waiting list. Mr. Chairman; meaning they want to own their own home, they want to realize the American dream. They want to own their own home, they want a chance, we have chosen not to. Shame on us as a Congress. We will have only ourselves to blame if we look back a few years from now and realize that this window is closed and we took no opportunity to expand HOPE, to expand opportunity to hundreds of thousands and perhaps millions of Americans crying out for this chance.

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dollars and that is returning it back to them to do what is best for their community.

The CHAIRMAN. Does the gentleman from New York continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I rise in support of full funding for the 15 Round II Urban Empowerment Zones. My community of El Paso is one of those 15 designated empowerment zones. El Paso was designated based on its low per capita income, high unemployment rate, and maintaining the poorest ZIP code in the Nation. Within this context, El Paso worked hard to achieve a Round II Empowerment Zone designation. My community has sought to utilize the full benefits of the designation to quickly raise the standard of living and quality of life for all El Pasosians since receiving this designation in 1999.

Unfortunately, my community has continued to suffer because Congress has failed to provide the past 2 years to provide the full $10 million in annual appropriations for each of the urban empowerment zones in Round II. This year’s bill continues that dismal track. The goal of the Empowerment Zone initiative is to leverage private sector resources with Federal funds to create economic and job development in areas which have lagged behind the national economy.

The first round of empowerment zones showed that with adequate funding and tax incentives, distressed communities like ours could create valuable new jobs, adequately train workers, develop affordable housing and child care, and generate business opportunities. This combination of resources and tax incentives was critical to addressing the needs of those historically underserved communities such as El Paso.

In contrast, the Round II empowerment zones have received only a small portion of the grant funds that they were promised and that they had anticipated. They have received annual funding below $1 million for the past 2 years, more than $14 million less than they expected. This underfunding has stymied long-term plans for development and growth. It has further undermined the tremendous leveraging capability of using public funds to draw private investment through a multiplier effect.

As our Nation enjoys one of the strongest economies in generations, it is incumbent that we provide opportunities for our distressed communities. The empowerment zone residents deserve to reach their full potential, but this can only take place if they receive full funding. Billionaire Bill Clinton and Speaker HASTERT committed to $200 million in funds for the Round II empowerment zones and enterprise communities in fiscal year 2001. This bill has failed to include those dollars for empowerment zones and enterprise communities. The citizens of my community and other empowerment zones are awaiting the opportunity to share in our strong economy. With the full funding as promised for Round II, we can truly improve the quality of life for empowerment zone residents and no longer delay their opportunity to share in the American dream.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. WALSH. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WALSH. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The Committee on Appropriations filed a suballocation of Budget Totals for fiscal year 2001 on June 20, 2000. This amendment would provide new budget authority in excess of the subcommittee suballocation made under section 302(b) and is not permitted under subsection 302(f) of the Act.

I ask for a ruling from the Chair.

The CHAIRMAN. The Chair is authorized by a guide of the Committee on the Budget, pursuant to section 312 of the Budget Act, that an amendment providing any net increase in new discretionary budget authority would cause a breach of the pursuant allocation of such authority.

The amendment offered by the gentleman from Florida would, on its face, increase the level of new discretionary budget authority. As such, the amendment violates section 302(f) of the Budget Act.

The point of order is therefore sustained. The amendment is not in order.

The Clerk will read.

The Clerk reads as follows:

Of the amount made available under this heading, $23,450,000 shall be made available for capacity building, of which $20,000,000 shall be made available for "Capacity Building for Community Development and Affordable Housing"; for LIHC and the Enterprise Foundation for activities as authorized under section 302(f) of the Congressional Budget Act of 1974; for the Housing Corporation of America for activities as authorized by section 302(f) of the HUD Demonstration Act of 1993; for grantees for the Enterprise Zone Program in the act of February 21, 1973, as amended; for Enterprise Zones and Enterprise Development Zones in the act of March 1, 1994, as amended.

Of the amount made available under this heading for capacity building, $5,000,000 shall be available for discretionary use for capacity building activities administered by Habitat for Humanity International.

Of the amount made available under this heading for Enterprise Zones and Enterprise Development Zones in the act of February 21, 1973, as amended, $500,000 shall be available for discretionary use for capacity building activities administered by Habitat for Humanity International.

The amount for "Capacity Building for Community Development and Affordable Housing" shall be available for the construction and rehabilitation of public housing and for the maintenance of public housing, including the repair and modernization of public housing owned or controlled by public housing authorities.

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Of the amount made available under this heading for Enterprise Zones and Enterprise Development Zones in the act of February 21, 1973, as amended, $500,000 shall be available for discretionary use for capacity building activities administered by Habitat for Humanity International.

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Of the amount made available under this heading, $10,000,000 shall be available for grants to grantees for the Economic Development Initiative (EDI), to finance a variety of economic development efforts.

Of the amount made available under this heading, $28,000,000 shall be available for grants to grantees for the Economic Development Initiative (EDI), to finance a variety of economic development efforts.
For Economic Development Grants, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, $1,585,000,000 to remain available until expended: Provided, That up to $15,000,000 of these funds shall be available for Housing Counseled Under section 106 of the Housing and Urban Development Act of 1968: Provided further, That $17,000,000 shall be transferred to the Working Capital Fund to be used for permanent housing, and all funding for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments (including pro rata amount for any amount below $1,000,000) made available by this proviso exceed $16,000,000.

For the HOME investment partnership program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, $911,000,000, to remain available until expended: Provided, That the foregoing amount shall be transferred to the Working Capital Fund to be used for permanent housing, and all funding for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments (including pro rata amount for any amount below $1,000,000) made available by this proviso exceed $16,000,000.

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CONGRESSIONAL RECORD—HOUSE

Mr. WELLS. Mr. Chairman, I accept the gentleman's amendment. This amendment is a technical amendment to make it clear that the new appropriation that was included in this bill is for the fiscal year 2001 appropriation and that it is not to be used for the fiscal year 2000 appropriation that was already determined by legislation, and that, therefore, the language should be consistent with that.

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mortgage debt. They have been very successful in this endeavor. They own or guarantee nearly half of all home mortgages and almost 80 percent of middle-class mortgages. While they are not Federal agencies, the two housing GSEs enjoy some advantages that other private financial institutions do not. Nevertheless, as a result they are able to issue debt at rates that rival the Treasury because the market presumes that their securities are backed by the U.S. Government.

Although the law specifically states that this is not the case, Fannie and Freddie are, in reality, too big to fail. They are exposed to more than $2 trillion in credit risk from the mortgages they guarantee. They are also subject to $850 million of interest rate risk from the whole loans and mortgage-backed securities they hold in their portfolios.

Both GSEs are adequately capitalized, well managed and are in excellent financial condition. Times are good and bond rates are at record levels as a result. Fannie Mae and Freddie Mac should be commended for their role in this success.

But we should not forget that we are entering a period of interest rate volatility. The Federal Reserve has raised the prime rate five times during the past few months and it seems poised to do so again. As a result, the GSEs which are exposed to considerable interest rate risk could be vulnerable to a slowdown in the economy. I do not mean to suggest that they are in any trouble or that they would not be able to weather a downturn, but there have been times in the past when both Fannie Mae and Freddie Mac have suffered financial difficulties.

Indeed, this is why Congress created this regulatory body in the first place to ensure the safe and sound operation of the GSEs in troubled times. OFHEO will soon round out its regulatory program when it implements a risk-based capital standard that has been 6 years in the making.

After completing a thorough analysis of its needs in light of the $2 trillion housing finance market it oversees, OFHEO requested $26.77 million from Congress this year. While this is a substantial increase over last year’s budget, the extra funds will be used for some very necessary purposes.

They include hiring additional examiners to ensure compliance with the new capital rules; train staff to understand the complicated financial transactions and risk management techniques used by the GSEs, to upgrade technology, including the purchase of faster computers and sophisticated risk management software, and also to implement a series of organizational reforms recommended by OFHEO’s outside auditors.

The Congressional Budget Office has scored this amendment as budget neutral. The funds for OFHEO’s budget come from semianual assessments on the GSEs, subject to Congressional approval. No offset is necessary to approve this increase.

Fannie Mae and Freddie Mac are not jumping at the chance to increase their performance is any indicator of future earnings. The Congressional Budget Office has scored this amendment as budget neutral. The funds for OFHEO’s budget come from semianual assessments on the GSEs, subject to Congressional approval. No offset is necessary to approve this increase.

Fannie Mae and Freddie Mac are not jumping at the chance to increase their capital standard that has been 6 years in the making. Indeed, this is why Congress created OFHEO’s budget with the intention of giving it the resources needed to do its job. They believe that OFHEO should have the resources it needs to do its job. They know that the investment in safety and soundness pays dividends in market confidence.

Investors need to know that the GSEs are adequately capitalized and soundly managed.

In summary, Mr. Chairman, I encourage my colleagues to cast a vote for safety and soundness and support this amendment.

Mr. WALSH. Mr. Chairman, I rise in opposition to the amendment of the gentleman from New York (Mr. HINCHERY).

Mr. Chairman, OFHEO requested an increase this year and the Committee on Appropriations gave them one. OFHEO’s budget has increased from $19.5 million to $22 million, a 15 percent increase over last year’s funding level. That is as great an increase as any budget within this bill.

The increase is consistent with past increases and based on OFHEO’s budget justifications is fair and adequate; but OFHEO wants a 50 percent, 5-0, 50 percent increase in their budget, and they claim the increase is necessary to finalize the risk-based capital standard and to adequately monitor the safety and soundness of the GSEs. But if past performance is any indicator of future performance, OFHEO will not be able to do as they assert.

My doubts are well founded, as OFHEO has never met their promises as they relate to risk-based capital standard despite a statutory requirement to do so. I remind you, we are in the year 2000; that is 6 years ago. So they did not keep that commitment.

Despite the GSE Safety and Soundness Act of 1992, OFHEO was 5 years late issuing the preliminary rule, 5 years late. We are asked to give them a 50 percent increase in their budget?

Their tardiness cannot be blamed on the Committee on Appropriations. Every year since 1994, OFHEO promised this committee that they would get the rule out. Every year, the committee increased funding to the requested level, and every year for 5 years OFHEO has failed to keep their promise.

This is not a new story, and this year I am not persuaded that OFHEO requires a 50 percent increase in their budget request. We are aware that OFHEO has recommended that they be removed from the appropriations process. They feel the provision unconstitutionally because they must justify their expenditures to this committee; however, until the law is changed, refueling OFHEO’s budget is our concern.

The amendment increases OFHEO’s budget by $26.77 million, an amount that I believe is not adequate to fulfill OFHEO’s mission.

In summary, Mr. Chairman, I encourage my colleagues to cast a vote for safety and soundness and support this amendment.

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Let me describe the review this committee conducts on this account. First, the fact that discretionary funds are appropriated means that the total amount is none of our concern. We dig much deeper and are far more comprehensive because we take the responsibility seriously. We look at how many staff are currently on board, whether staff will increase, what the staff duties are, the costs of travel and equipment.

This review is then coupled with the performance of the agency, which has been abysmal, to see if the staff hours are having the intended results, because OFHEO’s request was so out of line with past requests. Rather than dismissing it entirely, we requested OFHEO to provide us with additional documentation to justify the increases.

Mr. Chairman, I asked that OFHEO make a comparison of the responsibility to regulate the safety and soundness of the GSEs and the responsibilities of other similarly situated regulators. Mr. Chairman, they never responded to the subcommittee’s request. Instead, OFHEO resorted to press releases accusing my subcommittee and me of being ‘subject to the maneuverings of the entities’ that OFHEO regulates.

In my opinion, this highly inappropriate accusation was not merely foolish, but it was petulant and naive. Furthermore, this statement and the agency’s inability to act in any way on risk-based capital rule has forced me to reconsider whether this agency has the credibility and the independence it takes to be an effective regulator.

Certainly, we have no intention of rewarding this type of behavior and refusal to comply with the subcommittee requests by getting OFHEO an increase in funds.

I urge everyone in this body to vote a resounding no on this amendment. OFHEO does not deserve the attention.

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

Mr. Chairman, I rise in strong support of the Hinchey amendment that would restore the $4.7 million in the budget for Office of Federal Housing Enterprise Oversight, otherwise known as OFHEO. And I want to say to the chairman of the subcommittee, the gentleman from New York (Mr. Walsh), while I understand his frustration with the maneuvering of the entities, I think that this cut in OFHEO could not come at a worst time.

Let me say, as the chairman of the subcommittee, the gentleman from...
New York (Mr. WALSH), mentioned, that OFHEO is the only Federal financial regulatory agency which is subject to the appropriations process and there is no doubt that that ought to be changed; and I would hope that the Committee on Banking and Financial Services, which I am a member of, would take that up along with the Committee on Appropriations and treat OFHEO like the Comptroller of the Currency and the FDIC and the Office of Thrift Supervision. But obviously that is not going to happen before this bill is enacted.

The problem with not providing OFHEO with the proper resources compounds an existing problem that the Committee on Banking and Financial Services is already looking at. As the gentleman from New York might know, the committee on Capital Market, Securities and Government Sponsored Enterprises of the Committee on Banking and Financial Services is in the process of considering legislation as to whether or not the GSEs, Freddie Mac and Fannie Mae, as well as the Federal Home Loan Bank, which are not under OFHEO, are sufficiently capitalized. And we have been going through a number of hearings on this, and the lynchpin in all of this is going to come down to the final regulations issued by OFHEO as it relates to the capital oversight of the GSEs.

Mr. Chairman, this reduction in the amount of resources that they need to carry out their job, quite frankly, could not happen at a worse time.

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

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

Mr. WALSH. Mr. Chairman, I just wanted to clarify, this is not a reduction. This is an increase of 15 percent in their budget.

Mr. BENTSEN. Reclaiming my time, Mr. Chairman, I appreciate the gentleman’s comments, but I would also add that their activities have increased as they are in the final stages. As the chairman knows, they are in the final stages of preparing the regulation that will set capital standard for Freddie Mac and Fannie Mae.

They are in the process of reviewing the current capital standards that were published in the Federal Register, so their workload clearly has gone up. And I think the chairman would concur that the responsibility as laid out in the 1992 act is quite important.

To go back to my original point, we are in the midst of a debate in the authorizing committee as to whether or not the GSEs are properly capitalized, whether or not their structure ought to be changed, and we are relying greatly on what OFHEO is going to come up with, so I think it would be a mistake at this time not to provide them with the proper resources.

I would hope that the gentleman would accept the Hinchey amendment. Let me say I know the gentleman quite well, together we have nothing but the greatest respect for him. I think that if OFHEO, and I have no reason to question what he said, if OFHEO did what he said, they were wrong to do that.

I would hope that the chairman would not allow some bad judgment on the part of the agency in trying to get in the way of the resources that they need to carry out their duty that we on the authorizing committee have asked them to do, and the Congress has asked them to do.

Mr. Chairman, I yield to the gentleman from New York.

Mr. WALSH. Mr. Chairman, I consider the gentleman from Texas (Mr. BENTSEN) a good friend and someone I admire in this body, and I want to assure the gentleman that there is absolutely nothing personal. We are talking about performance.

This is an agency that has failed its mission for 6 consecutive years, and for us to give them a 15 percent increase I think is pretty generous, but not a 50 percent increase.

Mr. BENTSEN. Reclaiming my time, Mr. Chairman, I would just hope that the gentleman would see to accepting the Hinchey amendment. We need this information if we are going to carry out our oversight functions with respect to the GSEs. The House is in a great deal of debate about this, and it would be, I think, counterproductive to undercut the one regulatory agency over the GSEs at this point in time, and so I would hope the House would adopt this amendment.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment to increase funds for the Office of Federal Housing Enterprise Oversight. OFHEO has an important job, we admit, doing regulatory oversight to ensure the safety and soundness of the two largest government sponsored enterprises: Fannie Mae and Freddy Mac. Just because the funds for OFHEO come from assessments on Fannie and Freddie does not mean that the Committee on Appropriations will roll over and give them anything they want.

The subcommittee requested an adequate justification to support the shopping 50 percent increase in funds they requested and the 40 percent increase in personnel as requested by the President. OFHEO never responded to our requests for their budgets’ justification.

Yet the committee ended up providing the still generous 15 percent in increased funds contained in this bill. Fifteen percent is a respectable amount, given that so many of our accounts had to be level funded due to the tight budget allocation. Further, there is only so much of an increase an agency can absorb effectively in one year. The Committee on Appropriations reported dollar figure is based on...
merit and not on any of the outside forces that some have alluded to. I urge rejection of the amendment and support of the bill.

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

Mr. Chairman, as the ranking Democrat on the subcommittee over the jurisdiction of the Office of Federal Housing Enterprise Oversight, or OFHEO, I rise to speak in favor of the Hinchey amendment. This amendment would increase the amount of funding provided in the bill from $22 million to approximately $26.8 million, the full amount requested by OFHEO for the year 2001.

Mr. Chairman, at this point, may I point out this has nothing to do with budget restrictions. All of this money will be used to help the GSEs, and they are in favor of the expenditure. OFHEO is the safety and soundness regulator of Fannie Mae and Freddie Mac. As such, Congress has charged the agency to reduce the risk of failure of companies that they regulate to ensure that they are able to continue their important mission in our Nation's extremely successful housing and mortgage finance sectors. Although this organization receives its fundings from the companies it regulates and receives no taxpayer dollars, unlike other financial regulators, it is subject to the annual appropriations process.

It is crucial that OFHEO have sufficient capacity to fulfill its safety and soundness oversight responsibilities. Fannie Mae and Freddie Mac continue to grow and their operations increasingly are complex. According to this regulatory agency, the two enterprises are currently exposed to more than $2 trillion in credit risk on mortgages. That figure has doubled since 1993. Moreover, this agency is in the process of finalizing its risk-based capital standards. When promulgated later this year, OFHEO will need the resources to enforce them properly.

We need to have a strong independent regulator for the housing government sponsored enterprises. We must also ensure that the regulators have the resources they need to get the job done. As someone who participated in the Congressional debate to resolve the savings & loan crisis, I am acutely aware of the need to protect taxpayers from risk. It is in the public's interest that we maintain a strong regulatory regime over Fannie Mae and Freddie Mac. This money will help this agency to achieve this objective.

Mr. Chairman, I have a great respect for the chairman of this subcommittee of the Committee on Appropriations and the ranking member. I know that although, for whatever reason, they have only limited the increase to 15 percent, that when they analyze the $2 trillion potential risk to the United States taxpayers, when they realize that it costs the budget allocation nothing because it is budget neutral, and that Fannie Mae and Freddie Mac are in support of their own regulator having more financial reserves to handle the safety and soundness of these two organizations, it would be unreasonable for this Congress not to grant them this requested fund.

So I urge my colleagues on the committee, both the chairman and the ranking member, to realize that to deny a request for approximately $4 million more by the regulators to regulate themselves, to save the exposure of the American taxpayers to $2 trillion of potential risk, and to provide for safety and soundness, would really be an unreasonable decision.

I urge my colleagues, both the chairman and the ranking member, to agree with the Hinchey amendment, that it is reasonable, it is proper, it does not cost the taxpayers a cent, and that it provides for safety and soundness for the American people and for this government. I urge colleagues on both sides of the aisle to support the Hinchey amendment.

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

Mr. Chairman, I have been listening to my colleagues on the other side of the aisle, and I agree with much of what they are saying. I too am a member of the Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises of the Committee on Banking and Financial Services. I too am very concerned about the taxpayer exposure that the GSEs provide. I am concerned about the over expansion of capital risk. But I believe we are getting the cart before the horse on this amendment.

What OFHEO has had is a plus-up of about 15 percent over the last 4 years. OFHEO has met its budget requests over the last 4 years. The issue that we are dealing with in discussing our GSEs, the issue we are dealing with in evaluating contingency taxpayer risk, and the issue that we are dealing with on the Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises is changing the regulator. So if we are to try to pump a 50 percent increase into this current regulator, into OFHEO, it is putting the cart in front of the horse.

What we need to do is pass good authorizing legislation that provides for a strong regulator to catch up with the fact that the GSEs are growing extremely strongly. I believe the gentlewoman from New York (Mrs. MALONEY), the gentleman from Texas (Mr. BUCKSEY) and the gentleman from Pennsylvania (Mr. KANJORSKI) are really hitting the nail on the head. They are correct in saying that we have to have a strong regulator over the GSEs.

All I am saying, Mr. Chairman, is that we ought to do so after we have proper authorizing legislation. We ought to do so after Congress has authorized through the Committee on Banking and Financial Services a proper regulator to do its true job of ensuring taxpayer safety and soundness with respect to these GSEs.

So to give a 50 percent increase to this overseer, to OFHEO, before enacting proper oversight legislation, authorizing legislation, would be a mistake. That is why I think a 15 percent increase is more than enough. Let us pass good authorizing legislation. I urge Members to reject this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HINCHHEY). The question was taken; and the Chairman announced that the noes appeared to have it.

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

The CHAIRMAN. Pursuant to House Resolution 525, further proceedings on the amendment offered by the gentleman from New York (Mr. HINCHHEY) will be postponed.

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

Mr. Chairman, reverse Robin Hood; robbing from the poor and working people to give tax breaks to the rich. Mr. Chairman, once again the Republican leadership is attempting to cut housing programs that assist our Nation's poorest at the time our country is going through the greatest economic expansion in our national history. It seems to me that we should be doing everything we can to help our citizens move from homelessness to home ownership and public housing is critical in that transition.

The funding cuts proposed for our Nation's most needy community is simply a disgrace. Among the critical programs that will suffer budget cuts are public housing, drug elimination grants, and CDBG programs. In addition, Brownfields redevelopment, an area of particular concern to me since there is a Superfund site in my area, is being cut by 20 percent of the current level.

Additional cuts made to the Community Development Block Grant Program are an embarrassment. This program is extremely important, one that assists communities to create economic opportunity for residents of poor neighborhoods. It is one of the most flexible of all Federal grant programs and allows States to work with partners, with local housing authorities, to develop community and economic development projects. These block grants can be used to rehab housing, provide job training, finance community projects and assist local entrepreneurs to start a new business or shelter the homeless or abused spouses.
Every time I hold a town hall meeting in my district, the issue of housing always comes up. Public housing, elderly housing, those who have little resources, and particularly no voice, not those who can afford the best attorneys and find loopholes in the Tax Code to circumvent their taxes.

This budget is drawn up to benefit the wealthy. Just last week the majority party passed a bill giving estate tax breaks to the wealthiest families with large assets. While the majority party is giving tax cuts to wealthy Americans, even in good economic times the poor continue to suffer, mainly because of unjustified priorities, such as the one proposed in this bill.

While the President’s budget, and I want to commend him, would increase vital infrastructure investments in families and communities, the Republican version of this bill, if passed, would have a devastating impact on these same communities nationwide. In my district, Florida’s third, the effects of these cuts will prove disastrous and could reach the millions of dollars.

These families will be devastated, those that rely on public housing. The number of families with worst case housing needs, defined as paying more than 50 percent of income on rental, remains at all time high. Furthermore, families in the traditional welfare-to-work have special needs for assistance, as housing is typically the greatest financial burden. Yet this bill strips all funds from welfare to work. Let me repeat that: This bill strips all funds from welfare to work.

The slight increase in the VA-HUD bill provided for Section 8 funding does not go far enough, since virtually all of the housing programs designed to help the neediest are being cut. These families will be devastated, those that rely on public housing. The number of families with worst case housing needs, defined as paying more than 50 percent of income on rental, remains at all time high. Furthermore, families in the traditional welfare-to-work have special needs for assistance, as housing is typically the greatest financial burden. Yet this bill strips all funds from welfare to work. Let me repeat that: This bill strips all funds from welfare-to-work.

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

CONGRESSIONAL RECORD—HOUSE 11561

Administrative Provisions

Section 1207. Subsection (a) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2001 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(a) received an allocation in a prior fiscal year under clause (i) of such section; and

(b) is not otherwise eligible for an allocation for fiscal year 2001 under such clause (ii) because the metropolitan statistical area that qualifies under clause (i) in fiscal year 2001 do not have the number of cases of acquired immunodeficiency syndrome required under such clause.

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and Expenses

For necessary expenses for care of battle monuments and for the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments; purchases of land or interest in land in foreign countries; administration and operation of the War Memorial Exposition at the National Security Building, Washington, D.C.; purchase and rental of office and quarters, equipment, fuel, and supplies; purchase and repair of uniforms for caretakers of national cemeteries and monuments; purchase of land or interest in land in foreign countries; and for necessary expenses, $25,000,000, to remain available until expended.

Chemical Safety and Hazard Investigation Board

Salaries and Expenses

For necessary expenses in carrying out activities pursuant to section 119(a) of the Clean Air Act, including hire of passenger vehicles, and for services authorized by 5
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U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $8,000,000, $5,000,000 of which to remain available until September 30, 2001, and $5,000,000 of which to remain available until September 30, 2002: Provided, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

To carry out the Community Development Banking and Financial Institutions Act of 1994, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES-3, $105,000,000, to remain available until September 30, 2002, of which $5,000,000 may be for technical assistance and training programs designed to benefit Native American Communities, and up to $9,500,000 may be used for administrative expenses, up to $23,000,000 may be used for the direct loan program: Provided, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to individuals gross obligations for the principal amount of direct loans not to exceed $33,000,000: Provided further, That administrative costs of the Technical Assistance Program under section 106, the Training Program under section 109, and the costs of the Native American Lending Study under section 117 shall not be considered to be administrative expenses of the Fund.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards and non-Federal office contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $51,000,000.

Mr. MOLLOHAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill to page 54, line 20 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

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

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

Of the funds appropriated under this heading in Public Law 106-74, the Corporation for National and Community Service shall use such amounts as may be necessary to carry out the orderly termination of the programs, activities, and initiatives under the National Community Service Act of 1990. (Provided, That such sums shall be utilized to resolve all responsibilities and obligations in connection with said Corporation.

AMENDMENT OFFERED BY MR. FARR OF CALIFORNIA

Mr. FARR of California. Mr. Chairman, I offer an amendment. The Clerk read as follows: Amendment offered by Mr. FARR of California:

1. Restore funding for Corporation for National and Community Service.

2. Strike lines 23 on page 54 through line 6 on page 55 and insert the following:

For necessary expenses for the Corporation for National and Community service in carrying out programs, activities and initiatives under the National and Community Service Act of 1990, $531,700,000.

Mr. WALSH. Mr. Chairman, I reserve a point of order against the gentleman's amendment.

The CHAIRMAN. The gentleman from New York reserves a point of order.

The gentleman from California (Mr. FARR) is recognized for 5 minutes.

Mr. FARR of California. Mr. Chairman, it has been a long day and night. I want to say how much I appreciate the good leadership of the chairman in conducting tonight's business.

I rise on a very sad note. It was a note that was just read by the Clerk, that the majority of that party in this House wants to strike all of the funding for the Corporation for National Service.

We have funded, fully funded, an all voluntary military. We have partially funded, and I applaud that, funding for the Peace Corps. But when it gets to supporting our own, ensuring our own domestic tranquility and taking a program that is one of America's most successful, the American Corporation for National Service, or AmeriCorps, we cut the funding to zero.

The time I think has come for Congress to realize the lasting contribution that voluntarism has given to America by fully funding the national service programs. This includes AmeriCorps, the National Senior Service Corps, the Service Learning Programs.

I know the chairman of the subcommittee, the gentleman from New York (Mr. WALSH), cares about this because he served in the Peace Corps at the same time I did, and we know the value of service. That is, as the American Heritage Dictionary reads, to give one's self, to offer to give one's self in action to a cause he or she believes in. That is exactly true. AmeriCorps is one of America's most successful experiments in State and local control the government has ever supported.

In fact, the bulk of AmeriCorps funding is in the hands of our Nation's Governors, who make grants to local non-profits in our communities. The non-profits then select the participants and run the programs.

This is very important because studies have found that people are more likely to volunteer if they know someone volunteering or if who was involved as a youth in organizations using volunteers. AmeriCorps members generate an average of 12 additional volunteers around the Nation.
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Not only are they helping our communities, they are setting examples for others to follow. It is critical to recognize that under the leadership of former Senator Harris Wofford, AmeriCorps has embraced its critics and reinvented itself as a leaner, more decentralized, and non-partisan operation. AmeriCorps has developed more and more of its authority to States and local nonprofits in recent years, including a major commitment to faith-based institutions.

The CHAIRMAN. The time of the gentleman from California (Mr. FARR) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. FARR of California was allowed to proceed for 3 additional minutes.)

Mr. FARR of California. Mr. Chairman, about 15 percent of AmeriCorps members serve in faith-based institutions, and the number is growing.

Mr. Chairman, it is time that we reclaim the bipartisan tradition and support national service that has long been the hallmark of American politics. Members of Congress now have an opportunity to separate policy from politics, to reach a bipartisan consensus on the value of AmeriCorps.

I might add in closing, Mr. Speaker, this is an election year, and we have 62,000 AmeriCorps volunteers in the field. Each of those has two parents, 120,000 voters, and each has four grandparents; 240,000 people out there who have sons and daughters and relatives that are in the Peace Corps, including staff that are in this room right now whose daughters are serving in AmeriCorps.

We have to get this re-funded. It is absurd that the Republican party has decided to zero out this in our budget. Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

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

Mr. GEORGE MILLER of California. Mr. Chairman, I want to thank the gentleman very much for his comments on AmeriCorps and for the case that he has made.

It is essentially unbelievable, for those of us who know the role AmeriCorps plays in so many of our communities, as the gentleman points out, whether it is mentoring our children or helping our communities with substance abuse problems or working with communities to organize themselves and to make positive contributions.

Recently in Vallejo, California, I had a chance to work with our community organization that is funded by the Robert Wood Johnson Foundation called Fighting Back. AmeriCorps volunteers came in to help the community organize neighborhood cleanups and substance abuse programs.

We have worked in a number of different programs around Vallejo. In each case, after we had finished spending the weekend in those communities cleaning up, getting rid of the junk, getting rid of the shrubbery cut back and all the rest of it, the contacts and the calls to the police department plummeted in those communities.

Where there used to be drug dealing on the street, where there used to be abuse in the families, contacts with criminal activity in the neighborhood, they went down by 30 and 40 percent in those neighborhoods because of the work of the AmeriCorps volunteers to go in, to organize community watch programs, neighborhood watch programs, programs for schoolchildren, programs on substance abuse.

There were dramatic changes in these neighborhoods basically run by volunteers with the coordination AmeriCorps brings to that.

Talk about cost-effective, in terms of the savings to emergency responses, in that one city we are talking about hundreds of thousands of dollars that has been saved in that effort because of AmeriCorps volunteers.

To zero out their funding is just to simply turn our backs on these communities, and to turn our backs on young Americans, for the most part, but older Americans, too, who are doing what we say is the best of what we want in our citizens, and that is to volunteer. These are people who come in and coordinate and get those kinds of community involvement that we all aspire to in our own communities.

So I thank the gentleman very much for raising this issue and discussing this.

The CHAIRMAN. The time of the gentleman from California (Mr. FARR) has again expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. FARR of California was allowed to proceed for 2 additional minutes.)

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

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

Mr. GEORGE MILLER of California. Mr. Chairman, I want to commend the gentleman too for his statement here tonight. I want to say, I find much the same in the State of Washington in the Tacoma-Bremerton area, that the AmeriCorps volunteers are doing an outstanding job working with young people in after-school programs, working with people, juvenile offenders.

It is a program that I think has tremendous credibility. I think Harris Wofford has done a great job of it. I am just shocked that again, for partisan reasons, I guess, because people do not like the President, we are cutting out a program that has tremendous merit.

Mr. FARR of California. Mr. Chairman, they have totally zeroed out this program. I ask the gentleman from California (Mr. WALSH) as chairman of this committee, when he goes into conference to fight as hard to get this re-established as he did to get the Peace Corps funded, as I did to get the Peace Corps funded.

We cannot just have a foreign Peace Corps and not have a domestic Peace Corps. This is absolutely essential to America to give youth a chance. To give America a chance to invest in an ounce of prevention, which is all these Members of Congress have said, is certainly worth a pound of cure.

Mr. DICKS. Mr. Chairman, will the gentleman continue to yield. Mr. Chairman, for many years I have supported the Youth Conservation Corps, which has been a tremendous organization. Our national parks, our national forests, the Fish and Wildlife Service, these young people are out there doing tremendously important work.

And again, this is a program that we had to fight to save during the Reagan and Bush administrations. For some reason, these programs get targeted when we need to be doing these things. We need to be cleaning up these parks.

The Campaign to Keep America Beautiful has kind of fallen on deaf ears here in this new generation. We need to explain to people again how important that is, and here are our young people out there doing this good work.

I am stunned that we are again trying to take the funding out for this program. I think it is one of the President’s finest accomplishments.

Mr. GEORGE MILLER of California. If the gentleman will continue to yield, earlier this evening some were fortunate enough to go over to the Library of Congress and listen to a young teacher, the California teacher of the year.

The CHAIRMAN. The time of the gentleman from California (Mr. FARR) has again expired.

(On request of Mr. GEORGE MILLER of California, and by unanimous consent, Mr. FARR of California was allowed to proceed for 3 additional minutes.)

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now out replicating that in schools of education and with AmeriCorps volunteers all across the country. Yet, we are saddled this evening with seeing that is zeroed out, and obviously it is a national program zeroed out in this budget, zeroed out in California, in New York, in the State of Washington. It is a tragedy that we would not capitalize on the resources that these young people in the Americorps Corporation bring to civic life in America. I thank the gentleman again for raising this issue.

Mr. DICKS. I appreciate the gentleman’s leadership.

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

Mr. Chairman, I understand the constraints under which the gentleman from New York (Chairman WALSH) is working, and commend him for doing a very admirable job under difficult circumstances. However, I am deeply concerned about a number of programs reduced or eliminated in this bill.

Of greatest concern to me, this legislation would terminate most programs under the Corporation for National Service, including AmeriCorps. As a fiscal conservative, I believe national service is one of the wisest and least costly investments our government can make. Every $1 spent on AmeriCorps generates $1.66 in benefits to the community. Every full-time AmeriCorps members generates an average of 12 additional volunteers.

AmeriCorps is one of the most successful experiments in State and local controls the Federal government has embarked upon: Two-thirds of AmeriCorps’ funding goes directly to the Governor-appointed State commissions, which then grants to local nonprofits.

Since 1994, more than 150,000 Americans have served as AmeriCorps members in all 50 States. They have taught, tutored, or mentored more than 2.5 million students, recruited, supervised, or trained more than 1.6 million volunteers, built or rehabilitated more than 25,000 homes, provided living assistance to more than 208,000 senior citizens, and planted more than more than 52 million trees.

AmeriCorps Members are not only helping meet the immediate needs in our communities, they are also teaching through their example the importance of serving and helping others.

As a former Peace Corps volunteer, I know the significance of this long-lasting lesson. Our youth want so desperately to take hold of their destiny and work to ensure a brighter and more prosperous future. There is so much they can do. All they need is the opportunity.

Yet, we are troubled by proposed cuts in the community development block grant program, CDBG, which would be funded at $4.5 billion, a level $300 million below fiscal year 2000, despite a 417 to 8 vote by this House on H.R. 1776 to increase this program’s authorization to $4.9 billion.

CDBG is the largest source of Federal community development assistance to States and local governments. It is one of the most flexible, most successful programs the Federal Government administers. The CDBG program puts development funds where they can most effectively be allocated: in local communities. Communities may use CDBG money for a variety of community development activities, including housing, community development, economic development and public service activities.

The bottom line for me, Mr. Chairman, in closing, is I believe strongly in AmeriCorps. I regret it is not in the bill. I understand why it was not placed in the bill, because some Members on either side of the aisle will decide to fund veterans programs or some other program and offset it with the National Service Programs, and Republicans and Democrats alike will vote for a veterans program over this.

But this program, like veterans programs, has its place. And I hope and I expect when we vote out this bill and the conference committee meets, that we will see the CDBG money restored and AmeriCorps and the National Service Program restored. If it is not, I would vote against the conference report. But I do intend to vote out this bill, hopefully this evening or tomorrow.

The CHAIRMAN. Does the gentleman from New York continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the AmeriCorps program.

I rise in strong support of the countless volunteers that are working on teaching projects, projects for the homeless, projects for the environment across the country, and I rise in strong support of a program that is working extremely well.

Mr. Chairman, as we look for ways to solve some of the problems in America, many of us so-called new Democrats have looked for ways to delegate responsibility at the State or the local level, but to give them some of the resources at the local level, whether it be in education, whether it be working with existing infrastructure or with people at the local level to try to solve some of these vexing and difficult problems.

We have come up with a very, very innovative and now successful program called AmeriCorps that gives money at the Federal level not to a 10-story building in Washington, D.C. but to local communities and volunteers in places like South Bend, Indiana, and Elkhart, Indiana, and Mishawaka, Indiana that are working with the homeless every day to try to teach the homeless every day skills; balancing their checkbooks, taking care of their children, working to solve some of the personal and faith-based problems that they experience as individuals taking place in South Bend, Indiana at the Center for the Homeless, and it is also in conjunction with AmeriCorps that is funded at the Federal level.

This program should not be zeroed out by this budget because we are doing exactly what the American people want us to do: Solve problems with local people at the local level. Not with big bureaucracy, not with 10 story buildings in Washington, D.C., not with committees in Congress, but with local people with strong hands and big hearts.

We also have a program, Mr. Chairman, at the University of Notre Dame called the Alliance for Catholic Education. And there we are working with both Catholic schools and the public school system in South Bend to recruit teachers, something every community in America is having problems with, and getting these teachers through the University of Notre Dame with advanced degrees in teaching; having them teach in the summer school in South Bend, Indiana to students that are having problems learning, that might fall behind; helping them with remediation and tutoring skills. And then these teachers go on to 12 States across the south to teach in schools in very poor areas where they cannot recruit teachers to teach math and science and technology. Some of those are Catholic schools.

What a fantastic partnership between the Federal Government, local public schools and parochial schools in poor inner-city areas. That is AmeriCorps.

I understand why it was not placed in this budget because we are seeing that is zeroed out, and obviously we should not cut it. We should support it. And I would encourage my colleagues in Congress in a bipartisan way to fight hard to restore these funds in conference for a very successful program at the local level.

POINT OF ORDER

The CHAIRMAN. The gentleman from New York insist on his point of order?

Mr. WALSH. Mr. Chairman, I do insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WALSH. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The Committee on Appropriations filed a suballocation of budget totaling $160 million for fiscal year 2000. House Report 106-683, House Report 106-683. This amendment would provide new budget authority in excess of the subcommittee suballocation made under section 302(b) and is
not permitted under section 302(f) of the Act.

I ask for a ruling of the Chair.

The CHAIRMAN. Does any Member wish to be heard on the point of order? If no, the Chair is authoritatively guided by an estimate of the Committee on the Budget, pursuant to section 312 of the Budget Act, that an amendment providing any net increase in new discretionary budget authority would cause a breach of the pertinent allocation of such authority. The amendment offered by the gentleman from California would increase the level of new discretionary budget authority in the bill. As such, the amendment violates section 302(f) of the Budget Act. The point of order is, therefore, sustained. The amendment is not in order.

The Clerk will read.

The Clerk read as follows:
OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1976, as amended, $5,000,000.

COURT OF APPEALS FOR VETERANS CLAIMS

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims, as authorized by 38 U.S.C. 7251–7266, $12,500,000, of which $895,000, shall be included as research and representation expenses, to be derived from the Hazardous Substance Superfund Trust Fund, as amended, $70,000,000, to remain available until September 30, 2002.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

TOXIC SUBSTANCES AND ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, $69,000,000, to remain available until September 30, 2002.

RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980

For necessary expenses, as authorized by sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), as amended, $150,000,000, to remain available until September 30, 2002.

The motion to strike the last word is therefore, sustained. The amendment is inadmissible.

The Clerk reads as follows:

DEPARTMENT OF DEFENSE–CIVIL CEMETARY EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers’ and Airmen’s Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official representation and representation expenses, $17,949,000, to be derived from the Hazardous Substance Trust Fund, pursuant to section 517(a) of SARA (26 U.S.C. 9507), to remain available until September 30, 2002.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, $69,000,000, to remain available until September 30, 2002.

The amendment provides any net increase in new discretionary budget authority. The amendment violates section 302(f) of the Budget Act. The point of order is, therefore, sustained. The amendment is not in order.

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

Mr. Chairman, I rise to explain to the House that we have reached an agreement, both sides, on the continued debate of this bill, and I would just like to make sure everyone is aware that there will be no further votes this evening. We have the VA-HUD bill tomorrow after the conclusion of the debate on the WTO.

We have agreement on all amendments, all points of order are protected, we have time for all the amendments, and we will be coming in at 9 a.m. to work on WTO. Once that is concluded, we will work on the VA-HUD. The gentleman from West Virginia (Mr. MOLLOHAN) and I have agreed to try to conclude debate on the VA-HUD bill by 9:00 p.m. tomorrow evening.

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

Mr. WALSH. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, the chairman of the subcommittee, the gentleman from New York (Mr. WALSH), has stated the agreement as we understand it. All amendments that are going to be in order tomorrow are contained in the unanimous consent agreement, and each amendment is a time certain for debate. We will have no objection to the unanimous consent request.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF DEFENSE–CIVIL CEMETARY EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers’ and Airmen’s Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official representation and representation expenses, $17,949,000, to be derived from the Hazardous Substance Trust Fund, pursuant to section 517(a) of SARA (26 U.S.C. 9507), to remain available until September 30, 2002.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in strong opposition to the VA–HUD appropriations bill and its inadequate funding levels for our nation’s housing need.

The bill currently provides $2.5 billion less than the President’s request and would underfund almost every program within the Department of Housing and Urban Development (HUD).

This inadequate funding would severely impact our nation’s communities and roll back much of the progress we have made towards making affordable housing and economic development opportunities available to all Americans.

As the nation enjoys its longest sustained economic boom, now is the time to meet our critical housing needs and fully fund our housing services and programs—not neglect them.

I have deep concerns about this bill because, among other things, it:

Fails to fund the administration’s request for 120,000 rental assistance vouchers. This includes 10,000 vouchers to construct the first affordable housing units for families since 1996.

It cuts the President’s proposed funding levels for the Community Development Block Grant (CDBG) program by almost $400 million, and it fails to provide funding for America’s Private Investment Companies (APIC) which stimulate private investment in distressed communities.

These are just a few examples of how the VA–HUD bill in front of us today short changes the millions of lower income Americans who critically need the assistance provided by the Department of Housing and Urban Development.

We can and must do better. I ask my colleagues to join me in opposing this inadequate bill.

Mr. BARR of Georgia. Mr. Chairman, I rise today with regard to the establishment of an outpatient clinic in the Seventh Congressional District of Georgia. There are more than 670,000 veterans in Georgia, and a significant number live in the Seventh Congressional District 55,000 veterans live in Cobb County alone. Some 4,000 of these veterans utilize the veterans health care system. The nearest clinic is on the east side of Atlanta, which means the veterans who reside in the western part of my congressional district must travel up to 70 miles each way, to get VA medical attention. This is an extremely long distance to travel for any type of medical care. It is even more of a hardship for the elderly, sick or those who cannot drive themselves.

On September 9, 1999, the House of Representatives considered the Departments of Veterans Affairs, Housing and Urban Development, and Independent Agencies Appropriations bill for Fiscal Year 2000, H.R. 2684. During that debate, Chairman WALSH and I had a colloquy, in which he pledged his support to me in establishing an outpatient clinic in the congressional district. I want to take this opportunity to thank the Chairman for all his assistance with regard to the establishment of this outpatient clinic.
On September 27, 1999, Chairman Walsh wrote me a letter stating that, “the establishment of an outpatient clinic is the decision of the local VISN. Decision is based on resources and need. We will make inquiries to the VA and the Director of VISN regarding the situation in your district.” In addition, to follow-up on that pledge the Subcommittee conference report to H.R. 2684 included the following provision: “The Committee directs the VA to submit a report on access to medical care and community-based outpatient clinics in Georgia 7th Congressional District 30 days after the enactment of this bill.” President Bill Clinton signed this legislation on October 20, 1999.

On January 14, 2000, I met with R.A. Perreault, Director of the Department of Veterans Affairs Medical Center in Georgia, who pledged his support to establish an Outpatient Clinic in the Seventh Congressional District in Fiscal Year 2000. In addition, on January 27, 2000, the Departments of Veterans Affairs, Housing and Urban Development and Independent Agencies Subcommittees sent to my congressional office a document entitled “Access to Care in Georgia 7th Congressional District” from the Department of Veterans Affairs. This evaluation stated:

This evaluation stated:

(2) Significant amount of interest from Congressmen Barr on the implementation of a Community Based Outpatient Clinic in the 7th Congressional District of Georgia. The VISN 7 Primary Care Service Line recently completed an evaluation of potential sites for future CBOCs using specific criteria... a proposed CBOC in Cobb County has been identified as a high priority and is noted in the Strategic Plan.

As you are aware, the VA has a goal of improving access to care and timeliness of service. The VISN 7 has set aside funds to be used to activate additional CBOCs in fiscal years 2000 and 2001. The proposed Cobb County CBOC is planned for a fiscal year 2000 activation. The VA notes in its report, future decisions regarding the implementation of new initiatives will continue to be based on the budget forecast. The report states, “The opening of additional CBOCs remains subject to the availability of funds and other significant factors.”

Mr. Pease, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee (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, had come to no resolution thereon.

LIMITATION ON AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 4635, DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2001

Mr. Walsh. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 4635 in the Committee of the Whole, pursuant to House Resolution 525, no further amendments to the bill shall be in order except:

(1) Pro forma amendments offered by the chairman or ranking minority member of the Committee on Appropriations or their designees for the purpose of debate;

(2) The following additional amendments, which shall be debatable for 10 minutes:

Ms. Kapur regarding VA Mental Illness Research;

Mr. Pascrell regarding VA Right to Know Act;

Mr. Saxton regarding EPA Estuary Funding;

Mr. Roemer regarding Space Station; and

The amendments printed in the portion of the CONGRESSIONAL RECORD designated for that purpose in clause 8 of rule XVIII and numbered 7, 8, 13, 14, 15, 17, 33, 41 and 43;

(3) The following additional amendments, which shall be debatable for 20 minutes:

Mr. Edwards regarding VA Health and Research; and

The amendments printed in the portion of the CONGRESSIONAL RECORD designated for that purpose in clause 8 of rule XVIII and numbered 23, 34, and 35; and

(4) The following additional amendments, which shall be debatable for 30 minutes:

Mr. Obey regarding National Science Foundation;

Mr. Collins regarding Clean Air;

Mr. Boyd regarding FEMA;

Mr. Olver regarding the Kyoto Protocol; and

The amendments printed in the portion of the CONGRESSIONAL RECORD designated for that purpose in clause 8 of rule XVIII and numbered 3, 4, 24, 25, and 39.

Each additional amendment may be offered only by the Member designated in this request, or a designee, or the Member who caused it to be printed, or a designee, and shall be considered as having been under consideration 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, had come to no resolution thereon.

HOUR OF MEETING ON WEDNESDAY, JUNE 20, 2000

Mr. Walsh. Mr. Chairman, I ask unanimous consent that when the House adjourns today it adjourn to meet at 9 a.m. tomorrow.

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

There was no objection.

CONGRATULATING THE LOS ANGELES LAKERS ON THEIR VICTORY

Ms. MILLENDER-McDONALD asked and was given permission to address the House for 1 minute.

Ms. MILLENDER-McDONALD. Mr. Speaker, tonight I rise to congratulate the Los Angeles Lakers for a job well done last night.

As we can see on the sports page of the L.A. Times, it says “Great Lakers.” I agree. I am one of the Members who represent Los Angeles, and we were all proud when they brought home the victory last night.

Mr. Speaker, before this playoff season started, my dear friend, the gentleman from Indiana (Mr. BURTON), got on the floor and said that the Indiana Pacers would win, that the L.A. Lakers would not get the championship.

I only want to say to him that I told him that night that I would give him a tissue, but instead I am going to give him this ball. Hopefully, the Pacers will bounce back next year. That is, if they are not playing the Lakers.

Go Lakers.

SPECIAL ORDERS

The Speaker pro tempore (Mrs. BIGGERT). Under the Speaker’s announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.