

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

□ 1640

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4635) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2001, and for other purposes, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, June 19, 2000, the amendment offered by the gentleman from California (Mr. WAXMAN) had been disposed of and the bill was open to amendment from page 9, line 1, to page 9, line 3.

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

Mr. WALSH. Mr. Chairman, I ask unanimous consent that it be in order at this time that the Ney amendment No. 40, the Guttierrez amendment No. 28, and the Tancredino amendment No. 26 be considered en bloc.

I further ask unanimous consent 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. OBEY. Mr. Chairman, I feel constrained to object to the request at this time.

The CHAIRMAN. Objection is heard.

#### PARLIAMENTARY INQUIRY

Mr. WAXMAN. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman from California (Mr. WAXMAN) will state his parliamentary inquiry.

Mr. WAXMAN. I have another amendment on the same subject as yesterday, Mr. Chairman, and I would like to inquire if this is the appropriate time in the bill to offer that amendment.

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 to OMB was to fund the research account 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, mainly. The researcher, who is almost 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 to 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 \$23 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.

□ 1645

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 follow.

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 9, after 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 purpose 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 at Corregidor and Bataan. 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 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 their counterparts, 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 preventions 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 supportive of the gentleman's efforts, and, unfortunately, at this time is unable to proceed with this particular amendment. I would hope that my colleagues would recognize the efforts of the gen-

tleman from San Diego, California (Mr. FILNER), and at some point soon recognize that we must do something for 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, there was a promise made by 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, but even a neck-down version so that the cost is not too high. This does not affect the health care of American veterans; this will actually enhance it.

I hope there is some way that in the conference when additional monies from revenues 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 Negrinos 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 we see 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, 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 spoke in 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. I hope 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 a bipartisan 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 wanted to commend the gentleman from California (Mr. CUNNINGHAM) and the gentleman from California (Mr. FILNER) for espousing the cause of our Philippine 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 the 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 members of the Philippine Commonwealth Army the honor of being recognized as veterans of our own Armed Forces.

A second group, the special Philippines 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 would say that this is a promise made by the United States Government.

Most of us were not here when that promise was made, much like our friends from Guam. But there is a promise, and that promise was taken away after the war. They fulfilled their contract, and this government reneged on that particular contract.

I ask my colleagues on this side of the aisle and the chairman to give this consideration in the conference even though it will probably be struck with a point of order.

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

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I think it is worth standing here for the next few minutes

to continue this dialogue. I want to congratulate the words of the gentleman from California (Mr. CUNNINGHAM) who just spoke, along with those of the gentleman from San Diego, California (Mr. FILNER), as well. Both of the gentlemen from California have spoken very righteously about this particular issue.

□ 1700

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 Philippine 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 and at the direction of our President, 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 stripped 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, had 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

their 80s, at reduced levels. In fact, we ended up saving money having them do that. Because rather than having them collect supplemental security income at the price of what it would cost by their staying here in America, if they did it in the Philippines, it would cost even less. That was, in a way, a token to those Filipino veterans, but it actually saved us money.

What the two gentlemen from San Diego are talking about is trying to restore some semblance of decency, who are now in their 80s and dying away, and it is the right thing to do. It is something we owe them. Because when it was time to take to that battle and they were charged to do so, they did not ask what would happen; and they did not ask what would be the return, they just did so.

For that reason, we should try to work in support of the amendment by the gentleman from California (Mr. FILNER), which would simply say give these veterans, now in their 80s, for the most part, access to health care that most American veterans are entitled to receive. That is the right thing to do. And I would join with my two friends from San Diego who are fighting for this, to say that it is something I hope that the conference committee will take up, that the chairman and ranking member will consider, because we should do this. At a time when many of these veterans may not see the next year, as we come closer to doing this, it is the right thing to do.

In the last session of Congress, in the 105th Congress, we had 209 Members of Congress who cosponsored legislation that contained these precise provisions. Just eight sponsors away from having a majority of this House saying they wanted to see this happen. We are very close. Most Members do support this when they are told about this, but it is just so difficult bureaucratically, procedurally, to get this done. I would hope that the chairman and the ranking Members and the committees of jurisdiction, when in conference, would consider this.

I join with my colleagues from California who have spoken, along with the many others who would like to speak on this, to say it is the right thing to do and we should move forward.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair must remind all Members that remarks in debate should be addressed to the Chair and not to a viewing or listening audience.

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

Mr. WALSH. I do, Mr. Chairman.

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

I too rise in support of the amendment offered by my good friend, the gentleman from California (Mr. FIL-

NER), that would provide health care benefits for Filipino World War II veterans that were excluded from benefits by the 1946 Rescission Act.

For all the reasons that have been stated by the gentleman from California (Mr. CUNNINGHAM) and the gentleman from California (Mr. BECERRA), this is an issue that is really a no-brainer. It is an issue that when people hear the entire story, they will support full equity, full World War II benefits for Filipino World War II veterans.

These veterans are comprised mostly of Filipino volunteers and recruits, augmented by American soldiers, who were the defenders of Bataan and Corregidor and who delayed the Japanese effort to conquer the western Pacific. This enabled U.S. forces to adequately prepare and launch the campaign to finally secure victory in the Pacific theater of World War II.

Filipino veterans swore allegiance to the same flag, wore the same uniforms, fought, bled, and died in the same battlefields alongside American comrades, but were never afforded equal status. And even after the surrender of American forces in the initial part of the battle of the Philippines, they continued to fight on in guerilla units.

Prior to the mass discharges and disbanding of their unit in 1949, these veterans were paid only a third of what regular service members received at the time. Underpaid, having been denied benefits that they were promised, and lacking proper recognition, General MacArthur's words, "No army has ever done so much with so little," truly depicts the plight of the remaining Filipino veterans today as they certainly did a half century ago.

In terms of my own people of Guam, since we are closest to the Philippines, I guess of all the areas that are represented in Congress, and the people of Guam share deep cultural and historic ties with the Philippines, we also understand the trauma and the tragedy that they endured because we too suffered horrendous occupation, a long and painful and brutal occupation under the Imperial Japanese Army. And we certainly appreciate, understand, and support the efforts of people who are trying to resolve the issue of Filipino World War II veterans.

I urge my colleagues to support the Filner amendment. I know that I certainly will probably be ruled out of order here before too long, but the issue will not go away until we certainly see justice for these veterans no matter how many are left. And I must remind the Members of the House that they continue to pass away as we continue to not address this issue fully.

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

Mr. WALSH. I do, Mr. Chairman.

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

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 this legislation out so that these 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 gentleman 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 costed out at roughly \$500 million or \$600 million, surely this session of Congress could approve just the health benefits at \$35 million. But I thank the gentleman for his kind words.

Mr. MOLLOHAN. Reclaiming my time, Mr. Chairman, I would just say

that I think the authorizing committee has been invited to bring that legislation to the floor.

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

Mr. WALSH. I do, Mr. Chairman.

Mrs. MINK of Hawaii. Mr. Chairman, I move to strike the requisite number of words.

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 in order for the rule 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 on Pearl Harbor 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 United States 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.

□ 1715

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 perpetuity.

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.

#### POINT OF ORDER

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) now insist on his point of order?

Mr. WALSH. Mr. Chairman, I do. I make a point of order against the amendment because it proposes to change existing law and constitutes legislation on an appropriations bill and, therefore, violates clause 2 of rule XXI.

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.

Mr. FILNER. Mr. Chairman, first of all, I appreciate the courtesy of the gentleman from New York (Mr. WALSH) in not insisting on the point of order until we had a chance for those who wanted to speak on it, and I sincerely thank him for that courtesy.

But I would point out to the Chair of our committee and to the Chair of the Subcommittee on Appropriations that this insistence on this point of order is rather arbitrary. The same argument could be made, as I have said earlier, to dozens of programs in this bill.

Under FEMA there are many programs not authorized. The whole NASA, apparently, is not authorized. The Neighborhood Reinvestment Corporation is not authorized. Major projects of construction in the veterans' affairs budget are not authorized. And I can go on and on.

The point here is that this House can pick and choose which items to protect in a point of order in an appropriations bill. I think that is not only illogical, but it does not show the reality. In this case, we have had to face really the obstruction of only one person that would prevent this from even coming to the floor and being authorized.

So I would ask at some point in the future that the chairman and the ranking member look kindly on this amendment, this legislation. We only have a few years left before these brave veterans are no longer with us. And so, I understand his insistence on the point of order, but I wish he would grant the same latitude that he had to dozens of other programs in this bill.

Mr. CUNNINGHAM. Mr. Chairman, I would like to echo the words of the gentleman from California (Mr. FILNER). This is not a partisan issue. The 40 years following the war, the Congress was controlled by the other side. We have gone through 5 years of Republican control of this House; and it is time, especially with the cosponsors, that we bring this to fruition.

I would like to repeat to the ranking member and the ranking minority member of the committee on authorization, there is a determination here by both sides of the aisle to see this through to fruition. Whether we do it this time or we do it the next time, this will pass. I would ask the chairman to consider it in the conference.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

The amendment earmarks funds in a manner not supported by existing law. The amendment also proposes to designate an appropriation as an emergency for purposes of budget enforcement procedures in law. As such, it constitutes legislation, in violation of clause 2(c) of rule XXI. The point of order is sustained.

Mr. WALSH. Mr. Chairman, I again rise to ask unanimous consent that it may be in order to consider at this time the Ney amendment No. 40, the

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?

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 heading "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 \$5,000,000)" after "\$1,900,000,000".

AMENDMENT NO. 28 OFFERED BY: MR. GUTIERREZ

Page 9, after line 8, insert after the dollar amount the following: "(increase by \$25,000,000)".

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, grants to our 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 State 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.

□ 1730

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 agen-

cy's activities other than science research and Superfund. Although this is a very small cut, the relevant account is already 10 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 support this 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 limbs.

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 am asking for a very reasonable increase, enough to save the current level of research and to allow for a modest improvement. My amendment calls for a \$25 million increase in fund-

ing. Approximately \$10 million is needed to maintain the current research level and approximately \$15 million will help to fund new research projects in such vital areas as mental health and spinal cord injury. This is money well spent on proven, effective research projects that benefit not only our Nation's most deserving population, our veterans, but that eventually benefits us all.

Again I believe in this Congress, we must reexamine our priorities and in our current economic climate, \$25 million is hardly a budget-breaking commitment. We cannot in any honest fashion say the money is not there. The money exists. It is simply a question of what we want to invest in, what priorities are most important to us. What better choice, what better investment than the health care of our veterans? The average research grant is \$130,000. My amendment will help pave the way for as many as 250 new ones. Which of those grants will help to find a cure for Parkinson's disease? Or ease the pain of post-traumatic stress? Or discover new ways to prevent prostate cancer or protect against heart disease? Or which of these grants will never be funded because we were not willing to make this reasonable and effective appropriation? Which grant will we lose because once again we made speeches praising our courageous members of the Armed Forces when they fought and sacrificed to keep our country safe only to make them sacrifice again when we turn our backs on their health care needs?

This amendment shows us that we do not have to sacrifice any of these research projects. The amendment has the strong support of the American Legion, the Disabled American Veterans and Vietnam Veterans of America. 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 in the VA. The EPA'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 again 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 \$80 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 evidence of 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 \$80 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 \$50 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 fund-

ing 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; 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 you 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 \$60 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. WELDON of Florida. 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.

This amendment 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 Act for Fiscal Year 2000. Once again, 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-effective.

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 the Tancredo 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 plus 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

point out to my colleagues that 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 science that goes into the prosthetic devices which some people have been 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 after year and now for the first time we are actually talking about plugging 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 that they are taking 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 there but we are not going to be able to benefit from that, either.

□ 1745

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 Tancred-

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, over \$200 a day to provide 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, but 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 Tancredo amendment, and I urge my fellow Members 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 Tancredo, 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, it is not the time 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' health care facilities.

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 Tancredo, 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

cannot support the way in which they are going about obtaining the funding.

To pay for these worthwhile programs, the amendment seeks to transfer funds from the Human Space Flight account of NASA and also NASA Science, Aeronautics and Technology.

While the contribution of our veterans to the greatness of our Nation should never be forgotten, and while we fulfill our special obligations to care for those who fought for these freedoms that we enjoy and sometimes we take for granted, this amendment is not right the way it goes. In fact, my good friend, the gentleman from Texas (Mr. REYES), who has fought many years not only in the State legislature, but now here in Congress for veterans nursing homes, tells me that Texas will not benefit from this plus-up yet with the cuts from NASA. The men and women at NASA run an exceptional government agency that has always done innovative work with limited funds that Congress appropriates.

They have been leaders in cutting expenses and making their agency more financially streamlined and we should recognize that. If anything, I fear that perhaps they carried their zeal for faster, cheaper, better, a step too far.

With the recent high-profile setbacks, particularly in the Mars missions, I think we need to prod NASA in the other direction, to ensure that in their efforts to do more with less that they have not sacrificed safety to save money. Again, this amendment has benefit but not in this area.

NASA is a fine example of an effective agency. If we wish to have the world's preeminent space program, we must work to fund it, not to cut their budget.

Our space program is the envy of the world. Despite recent stumbles, NASA continues to expand the frontiers of knowledge and probe the vast unknown reaches of outer space.

Space exploration will play a critical role in our Nation's future both for technology development and for health care, and we need to push for the development of these new technologies.

It will push our children, our students, to learn more math and science; and we need to make sure that responsible agencies like NASA have the necessary funds to carry out their mission and to continue to provide us with the invaluable source of innovation and information.

I support veterans nationwide, but I also want to make sure our Texas veterans can benefit. Again, this amendment does not go that far, and so I would hope in their effort to support veterans nationwide that we would come up with an amendment that not only would not cut NASA, but would help veterans in all 50 states instead of 49 of them and not just punish the ones in Texas.

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

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 case 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 \$60 million out of the space program in order to fund \$60 million in the veterans account 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 veterans 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 civilization.

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. BLUMENAUER. Mr. Chairman, I rise in support of the Ney-Gutierrez-Tancredo en bloc amendment that adds funding for VA medical research and for grants to states for extended care facilities for our aging veterans.

This bill before us tonight demonstrates the effect of poorly-placed priorities created when the majority voted for a budget agreement that spent too much on military largesse and tax breaks for the wealthy. We did not place a sufficiently high priority on our nation's veterans programs in this year's budget allocations. As my colleague BARNEY FRANK observed, we are suffering from a self-inflicted wound.

In fact, this VA-HUD bill provides \$2.5 billion less than the Administration's FY 2001 budget request. We have a responsibility to keep our promises to our veterans.

As a nation, we have special obligation to our veterans. They have earned benefits that they receive from a grateful nation. The service and sacrifice, blood, sweat and tears of men and women who have served in our Armed Forces has allowed for the historic prosperity we now enjoy. Caring for our veterans is a legitimate cost of national security, yet we do not seem willing to spend an adequate amount on that care.

This year, we are spending 52% of our discretionary budget on the military but not enough on those who have already served: our nation's veterans whose funding is dependent on this much smaller appropriations bill that is before us tonight.

We are spending \$46.8 billion for veterans' health care, research, and medical facilities. Funding for military activities, including our nuclear weapons stockpile, will total some \$311 billion this year. We owe our veterans more than they are receiving.

We are spending \$22 billion more in this year's defense appropriations bill than we did in last year's; by comparison, funding for Department of Veterans Affairs medical and prosthetic research is the same in this bill before us last year's funding: a mere \$321 million.

The \$62 million for major construction and improvement of VA facilities is 5% less than we spent last year. "Minor" construction projects—those costing less than \$4 million per project—and extended care facilities are each given a third less funding than they received last year.

This budget falls half a billion dollars short of the level called for in The Independent Budget, proposed by Disabled American Veterans, Paralyzed Veterans of America, and other veterans' groups. Over the past decade, federal spending for veterans' health care has fallen dramatically short of keeping pace with medical inflation. These shortfalls have forced VA medical facilities nationwide to cut services, delay and even deny care to veterans in need.

Without adequate funding, the VA, created to meet our nation's obligation to its former defenders, will be unable to meet its obligations to veterans. It is time to acknowledge the sacrifices our veterans made and to honor our commitment to them. They answered their call to service long ago; now we must answer

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 far 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 appropriated level.

Certainly, we owe 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 sacrifices 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 and technology. 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 on our every day lives 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.

We 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 73, to remain available until September 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 \$50,050,000 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 10 after the number \$1,006,000,000, insert: (increased by \$4,000,000 for transfers 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 last night, 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 to veterans suffering 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 bitter 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 for 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 the medical 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 night from that VA medical account for legal and administrative expenses. Instead, it will come from the operational funds from 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 think we are 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 allow us to pass this amendment and to 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. WALSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we had some discussion on this yesterday, about 3½ 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 accomplishes nothing. 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 shall 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 these 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 chairman 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. FILNER), 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 supplies that we 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 those 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 read as follows:

NATIONAL CEMETERY ADMINISTRATION  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of the National Cemetery Administration, not otherwise provided for, including uniforms or allowances therefor; cemeterial 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 \$125,000 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 1978, 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 or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is \$4,000,000 or more or where funds for a project were made available in a previous major project appropriation, \$62,140,000, to

remain available until expended: *Provided*, That except for advance planning of projects (including market-based assessments 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 considered and approved by the Congress 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, extending, or improving a 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 or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162 of title 38, United States Code, where the estimated cost of a project is less than \$4,000,000, \$100,000,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than \$4,000,000: *Provided*, That funds in this account shall be available for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected, to remain available until expended, which shall be available for all authorized expenses.

GRANTS FOR CONSTRUCTION OF STATE  
EXTENDED CARE FACILITIES

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

GRANTS FOR THE CONSTRUCTION OF STATE  
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. Any appropriation for fiscal year 2001 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2001 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

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

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901-7904 or 42 U.S.C. 5141-5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 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 2000.

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, Public Law 100-86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2001, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2001, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 2001, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. (a) Notwithstanding sections 1710B(e)(2) and 1729B(b) of title 38 United States Code, and any other provision of law,

any amount received or collected by the Department of Veterans Affairs during fiscal year 2001 under any of the following provisions of law shall be deposited in the Department of Veterans Affairs Medical Care Fund, to be available in accordance with section 1829A(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 106-117; of title 38 United States Code.

(b) Provisions of law referred to in subsection (a) shall be treated as provisions of law referred to in subsection (b) of section 1729A 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 title 31, United States Code, the following obligated balance shall be exempt from subchapter IV of chapter 15 of such title and shall remain available for expenditure until September 30, 2003: funds obligated by the Department of Veterans Affairs for a contract 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 Defense Appropriations Act, 1995 (Public Law 103-335) under the heading "Research, Development, Test and Evaluation, Defense-Wide".

SEC. 110. 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 Administration portion of the "General operating expenses" appropriation in the following amounts: \$78,000 from the "Office of Inspector General", \$358,000 from the "National cemetery administration", \$1,106,000 from "Medical care", \$84,000 from "Medical administration and miscellaneous operating expenses", and \$38,000 shall be reprogrammed within the "General operating expenses" appropriation from the Veterans Benefits Administration to General Administration for the same purpose.

SEC. 111. Not to exceed \$1,600,000 from the "Medical care" appropriation shall be transferred to the "General operating expenses" appropriation to fund personnel services costs of employees providing legal services and administrative support for the Office of General Counsel.

SEC. 112. Section 9305 of Public Law 105-33, The Balanced Budget Act of 1997, is repealed.

SEC. 113. None of the funds in this Act may be used to procure information technology systems, engage in new initiatives, or implement a policy affecting total procurement costs over \$2,000,000 in non-medical resources and \$4,000,000 in medical resources without the approval of the Department of Veterans Affairs Capital Investment Board.

VACATING REQUEST FOR RECORDED VOTE ON AMENDMENTS OFFERED BY MR. WALSH

Mr. WALSH. Mr. Chairman, I ask unanimous consent that the request for a recorded vote on the amendments offered by myself be vacated, to the end that the voice vote thereon be taken *de novo*.

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

There was no objection.

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

The amendments were agreed to.

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

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
PUBLIC AND INDIAN HOUSING  
HOUSING CERTIFICATE FUND (HCF)  
(INCLUDING TRANSFER OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, \$13,275,388,459 and amounts that are recaptured in this account and recaptured under the appropriation for "Annual contributions for assisted housing", to remain available until expended: *Provided*, That of the total amount provided under this heading, \$9,075,388,459 and the aforementioned recaptures shall be available on October 1, 2000, and \$4,200,000,000 shall be available on October 1, 2001, shall be for assistance under the United States Housing Act of 1937 ("the Act" herein) (42 U.S.C. 1437): *Provided further*, That of the total amount available for use in connection with expiring or terminating section 8 subsidy contracts, up to \$37,000,000 shall be available for assistance under subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act for use in connection with the renewal of contracts, which contracts may be renewed non-competitively and for one-year terms, in addition to amounts otherwise available for such renewals: *Provided further*, That the foregoing amounts be for use in connection with expiring or terminating section 8 subsidy contracts, for amendments to section 8 subsidy contracts, for enhanced vouchers (including amendments and renewals) under any provision of law authorizing such assistance under section 8(t) of the Act (47 U.S.C. 1437f(t)), and contracts entered into pursuant to section 441 and, for terms of one year, section 473 of the Stewart B. McKinney Homeless Assistance Act: *Provided further*, That amounts available under the first proviso under this heading shall be available for section 8 rental assistance under the Act: (1) pursuant to section 24 of the Act or to other authority for the revitalization of severely distressed public housing, as set forth in the Appropriations Acts for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies for fiscal years 1993, 1994, 1995, and 1997, and in the Omnibus Consolidated Rescissions and Appropriations Act of 1996; (2) for the conversion of section 23 projects to assistance under section 8; (3) for funds to carry out the family unification program; (4) for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency; (5) for tenant protection assistance, including replacement and relocation assistance; (6) for renewal of assistance under the shelter plus care program; and (7) for the renewal of section 8 contracts for units in a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Hous-

ing Preservation and Resident Homeownership Act of 1990: *Provided further*, That of the total amount provided under this heading, up to \$25,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: *Provided further*: That up to \$192,000,000 from amounts available under this heading shall be made available for administrative fees and other expenses to cover the cost of administering rental assistance programs under section 8 of the Act: *Provided further*, That the fee otherwise authorized under section 8(q) of such Act shall be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: *Provided further*, That of the total amount provided under this heading up to \$66,000,000 shall be available for very low income families living in properties constructed under the low-income housing tax credit program as authorized, as long as the vouchers are awarded within four months after the rule implementing this program is finalized: *Provided further*, That of the total amount provided under this heading, up to \$60,000,000 shall be made available for incremental vouchers under section 8 of the Act on a fair share basis to those PHAs that have a 97 percent occupancy rate: *Provided further*, That any funds appropriated in the immediately preceding proviso that are not awarded by February 1, 2001, shall be transferred to and merged with the appropriation for the "Public housing capital fund": *Provided further*, That the Secretary shall use up to \$660,000 of the amount provided under this heading for monitoring public housing agencies that increase payment standards under the authority under section 8(o)(1)(E)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(1)(E)(i)) and for conducting detailed evaluations of the effects of using assistance as authorized under section 8(o)(1)(E): *Provided further*, That \$11,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That amounts provided under this heading shall be available for use for particular activities described in any proviso under this heading only to the extent that amounts provided under this heading remain available after amounts have been made available for the activities under all other preceding provisos under this heading in the full amounts provided in such provisos; except that for purposes of this proviso, the first, second, and third provisos under this heading shall be considered to be a single proviso: *Provided further*, That of the balances remaining in the HCF account, \$275,388,459 shall be rescinded on or about September 30, 2001: *Provided further*, That any obligated balances of contract authority that have been terminated shall be canceled.

AMENDMENT NO. 38 OFFERED BY MR. MOLLOHAN

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

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 incremental vouchers under section 8 of the United States Housing Act of 1937, \$593,000,000, 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 29, 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, \$37,000,000, 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 \$114,000,000)".

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 the bill falls short of 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 to focus on an agenda of tax cuts targeted to the high end of the income scale.

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 there are 5.4 million 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. The fastest growing segment of that group is people working full time.

According to a recent survey of six cities by the Conference of Mayors, waiting times to get in public housing average 19 months in most cities. Waiting times for Section 8 vouchers averages 32 months. Officials in those cities estimate that their housing assistance programs serve just 27 percent of eligible households.

Considering that we are in a period of strong economic growth and that the Federal budget is in the best shape it has been for decades, you might think we would be taking steps to deal with these housing problems. But, unfortunately, the bill before us takes a step backward in funding for housing and community development.

Some of our colleagues may disagree and insist that the bill really improves several billions of dollars of spending

increases for HUD. Those increases are largely illusionary, Mr. Chairman. They reflect the fact that the subcommittee found less unused budget 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.

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 Native 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 \$100 million increase for Community Development Block Grants, instead of the \$295 million decrease in the bill. The amendment also funds the administration's APIC initiative, as recently agreed to by President Clinton and Speaker HASTERT.

□ 1815

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 adjustment for inflation. Indeed, 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

amounts with no adjustment for inflation or for anything else. There are very real needs for modest expansion of housing and community development programs. We can and should do better than the Subcommittee on VA, HUD and Independent Agencies had the resources to do in this bill. I very much hope we will be able to do better by the time this bill reaches the President's desk, and I know the gentleman from New York (Mr. WALSH) shares that hope as well.

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

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I want to congratulate the gentleman from West Virginia for a most excellent statement. I would like to talk about housing and put it in the context of our national economy and try to talk about it in human terms.

We have had an absolutely wonderful economic run for the past 7 or 8 years. We have had unparalleled prosperity in almost all regions of the country. But unfortunately, there have been some people who have been left behind by that prosperity. Our economy is a dynamic capitalist economy, and we do not want to do things that get in the way of the entrepreneurial class being able to make the investments and take the risks that create progress in the economy and create jobs and create an even stronger economic tomorrow.

However, there are those in this society who are either not as lucky or who are not as innovative, or as aggressive as others; there are lot of them who are not as healthy as some of the big winners in our society. So in any humane society, what we try to do is to take the rough edges off what would otherwise be a Darwin 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 segments 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 result of this bill failing to fully meet its responsibilities in order to provide additional very large tax cuts for those at the top of the economic heap, the result is that we do not create the kind of opportunity that we should for all Americans to have at least the basics in life.

Pope John Paul said many years ago that there ought to be certain norms of decency in determining who has how much of economic goods in any society, and I think that is a good way to put it. We are not meeting those norms of decency when we fail in our obligation to assure decent housing for every American, and this bill most certainly falls short. I, for one, cannot support it until it does.

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

(On request of Mr. MOLLOHAN, and by unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

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

Mr. OBEY. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I just wanted to cite a statistic that I actually did cite in my remarks to bolster the gentleman's argument, that in this robust economy, that the housing conditions in the HUD report recently completed tells us that there are 5.4 million very low income households with worst case scenarios, they are called worst case households, that is households with incomes below 50 percent of the local medium who are paying more than half of their incomes for housing needs and receiving no assistance whatsoever. A great shortfall in the Section 8 vouchers.

There is a great need out there, as the gentleman is describing, and this amendment, if we get the money, eventually, hopefully we can, the budget resolution that was passed by the majority falls far short of that that would be adequate to meet these basic housing needs.

So at the end of the day, we hope that that money is available. However, as of this point in time, the budget resolution supported by the majority which supports tax reductions for high-income individuals and no support for those who are the most neediest in our society for the most fundamental need, which is housing, that this Nation should be providing, 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 and in this society 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 their 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.

The CHAIRMAN. The gentleman from New York continues to reserve his point of order.

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 merits of the point of order. First of all, the expenditures that are suggested are not offset, and that is, in the parlance around 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 Appropriations. 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 provided \$13.275 billion for Section 8 housing vouchers, \$4 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 provided 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 the amount of public housing, the incremental vouchers 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 need those new commerce 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, we will use that for other expenditures." So they use HUD as a bank to come back and find money and then redistribute it somewhere else, so it looks like they have helped poor people, but, in fact, they have not. The administration has taken that money and used it for defense or for transportation or some other area of expenditure. We do not think that is the right way to proceed.

So we funded the section 8 vouchers fully; and we have also said that those

funds, if there are any funds laying around at the end that do not get spent, and as history would show, that is what will happen, we said, those 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.

□ 1830

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

Mr. Chairman, I am standing 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 era 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 assist-

ance is important to this affordability problem. We believe that. But these incremental vouchers are not what they are cooked up 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 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 unused 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 even 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.

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

Mr. Chairman, I rise in opposition to the amendment. Much has been said

and made about the housing vouchers, and that our bill turns its back on those most in need. However, it is not this bill but the 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.

HUD has, by any admission through our public hearings, been seen to be incredibly slow in awarding Section 8 vouchers. This results in the recapture that the gentleman from New York (Chairman WALSH) alluded to of funds because HUD does not spend them fast enough on the programs for which they were intended by Congress. The recapture would be equivalent to about 237,000 vouchers, because they do not spend down the money quickly enough.

With our tight budget allocation today, it makes no sense to fund a richer program that HUD has shown it simply cannot deliver. The Congressional Budget Office has estimated the spend-out rate at an extremely low 6 percent to begin with. Now the spend-out rate is projected by the CBO at an unbelievably low 1 percent.

This inefficiency is unacceptable; even more unacceptable given the fact that Secretary Cuomo has the use of his community builders to expedite the process and overcome bureaucratic hurdles within this huge bureaucracy.

HUD's policy should be, Mr. Chairman, to get the programs to the people as soon as possible. We have the same situation where fiscal year 1998 funds did not reach the street until October of 1999. Congress provided 50,000 vouchers in fiscal year 1999 and 60,000 vouchers in fiscal year 2000. We should not double the amount of vouchers, as some have suggested, when HUD does not award the ones already in the pipeline.

The bill before us includes language, thank goodness, to push HUD to do a better job, to move this huge bureaucratic dinosaur to do the job for the people who need public housing.

This bill also provides sufficient money to renew all expiring Section 8 contracts at a 100 percent rate, and to provide relocation assistance at the requested funding level. HUD should administer the current programs with a higher degree of efficiency before Congress expands it.

I oppose the amendment and support the bill, Mr. Chairman.

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

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I appreciate the indulgence of the chairman of the subcommittee, and I want to speak strongly in support of the Mollohan amendment.

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 many branches of 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 are making wealth 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?

Here 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 pace. We are talking about real drops 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, who find housing only if they have to pay far too much money.

Mr. Chairman, it is not simply housing. We have had a big debate on Sec-

tion 8s. I agree there are Section 8s that do not get used. I will tell the Members why in the area I represent, because we do not put enough money into the Section 8s. Housing rents have outpaced the fair market rents that we pay, so we make it worse when we cut the budget, when we begrudge relatively small amounts of the vast resources this country has for low-income people.

They say it is because it is not administered well. What about community development block grants? The community development block grant program is a Nixon program whereby the Federal government simply passes through money to cities and to States and they are allowed to spend it within a broad range of flexibility.

What have they done? They have cut it. This budget cuts community development block grants, a program on which HUD simply serves as a pass-through to local communities.

A few years ago Congress changed under the Republican rule the way public housing is governed. We were told they have really fixed it up. Why, then, is the public housing capital fund underfunded? Why then are the people who live in public housing, who live in an area now where they say they have improved the administration, are they given less money than they need significantly, less money than they got last year for the physical repair of public housing?

Part of what is going on is that we know, some of my friends on this side will privately acknowledge, this is not a real budget. They understand that this is too little. What they are saying is, let us get this budget through, this appropriations bill, and let it go over to the Senate, and let us get into negotiations with the President. Then the real budget will emerge.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. FRANK) has expired.

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

Mr. FRANK of Massachusetts. In other words, to the Members of this House, do not expect to make the real decisions. Pass through a budget, an appropriations bill, that we know is inadequate, that we know denies to the very needy people important programmatic resources, many of which are well spent.

We talk about the Section 8 problem being terrible, but the previous speaker, the gentleman from New Jersey, correctly pointed out that one of the things we have done is to spend money to preserve the existing Section 8 tenancies. Why are we preserving them? Overwhelmingly, we do that 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 going 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. WALSH) 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, I will ask for a colloquy with the gentleman from New York (Mr. WALSH), the distinguished chair of our subcommittee.

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 at \$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 under 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 am sorry I missed my cue there, but I think I am back in form.

□ 1845

According to HUD, the bill provides sufficient funds for 3,321 new units, which, according to HUD's estimates, is a reduction of 200,133 units.

Ms. KAPTUR. Mr. Chairman, as I know the gentleman from New York (Chairman WALSH) is aware, appropriate housing and services for the disabled can vary widely. In the case of some mentally disabled individuals, their needs may simply be a home where they can feel safe without any special physical adaptations. But for those with severe physical disabilities, a home might require significant physical accommodations. The administra-

tion's justification for section 811 funds is unfortunately silent on how this continuum of care for the disabled is and will be met.

Will the gentleman from New York (Chairman WALSH) agree to assist me in assessing how well HUD is progressing in achieving the goal of providing adequate and appropriate housing for all of America's disabled populations?

Mr. WALSH. Certainly, Mr. Chairman. As the gentlewoman from Ohio knows, the gentleman from New Jersey (Mr. FRELINGHUYSEN) has been a very active advocate for the housing needs of the disabled population, and I have worked very well with him in the past on this issue, and I am pleased to have the participation and support as well of the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. My impression, Mr. Chairman, is that the disabled are currently underserved by section 811, and I am sure that the gentleman from New York would agree with me that we are not currently meeting the housing needs of the disabled. I further ask the gentleman from New York (Chairman WALSH) to work with me as we go to conference to improve the overall level funding for section 811.

Mr. WALSH. Mr. Chairman, the concerns of the gentlewoman from Ohio (Ms. KAPTUR) are quite valid, and they deserve our attention. I will certainly do my best as this bill goes through the appropriations process.

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. WALSH) continue to reserve his point of order?

Mr. WALSH. I do, Mr. Chairman.

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

Mr. Chairman, I come to the floor to certainly join my colleagues, and I do appreciate the work of this committee; and I think it has been stated earlier the frustration in which we are operating because, in contrast to what the appropriators have had to work with, we have an enormously booming economy.

So this amendment of the gentleman from West Virginia (Mr. MOLLOHAN) is one that really should garner all of our support. Unfortunately, it is subject to 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 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 housing that is unacceptable, who are homeless and are in need of the funds particularly utilized in programs of HUD.

HUD is one of the larger agencies, and it has one of the largest cuts in this appropriations process. Although my colleagues have supported 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 used 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 8 percent 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, our people who do not have a sufficient amount of housing would ask us to object or eliminate the point of order and support the Mollohan amendment.

Mr. Chairman, I rise today to oppose H.R. 4635, the VA—HUD-Independent Agencies Appropriations for FY 2001. Although this legislation retains our commitment to the American people in some areas like NASA, it falls far short of an appropriations measure that the American people expect from the 106th Congress. Accordingly, the President would veto the bill in its current form.

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.

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' Americorps (62,000 participants) and Learn and Serve (1 million participants) programs. Nevertheless, we are living in unprecedented times of economic growth in America. Mr. Speaker, we cannot squander this historic opportunity to invest in America's future; the VA—HUD Appropriations measure risks doing just that.

I am very disappointed that the legislation increases spending for merely two HUD programs—FHA loans and renewal of existing section 8 rental subsidies—while providing less than even the current level for other HUD activities. 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 paying down the debt while passing an appropriations 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 5.3 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-stricken 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 Justice Department 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 to

ongoing litigation by the Department of Justice, which has nothing to do with the underlying measure. Such riders make little sense and frustrate the goal 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 pre-eminent 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, and \$3.2 billion for space shuttle operations. We need to devote additional personnel at NASA's Human Flight Centers to ensure that the high skill and staffing levels are in place to operate the Space Shuttle safely and to launch, as well as assemble the International Space Station.

Mr. Chairman, I am proud the Johnson Space Center and its many accomplishments, and I promise to remain a vocal supporter of NASA and its creative programs. NASA has had a brilliant 40 years, and I see no reason why it could not have another 40 successful years. It has made a tremendous impact on the business and residential communities of the 18th Congressional District of Texas, and the rest of the nation.

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 underfunded. It is underfunding so many housing 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 crucial 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 households receiving 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 hope the bill is defeated.

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 is he 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, is there 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), who spoke earlier, and I will show one a place 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 investment 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 col-

leagues boarded-over places, just like in Syracuse, I say to the gentleman from New York (Mr. WALSH), just like in New York City, just like in 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.

The gentlewoman 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 developed.

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 those people in the areas that all of that prosperity is looming around, booming all over them, and busting 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.

□ 1900

Shame on this House. Shame on every one of us that does not support the Mollohan amendment, and shame on all of us that cannot 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 433 other Members of this House with impoverished and 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 \$180 million for 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 includes completely replacing the old out-dated, outmoded, 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 tracts 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 fall, the 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 Federal commitments from HUD for 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 stating to the private sector that this House does not have enough confidence in HUD or its funded agencies to pull off reform. We are saying that this Congress does not honor its commitments. We ask for the private sector to do its part, but we will not do ours. In short, we have dictated reform and retracted financial support. We want the rain without the thunder and the lightning. We will have summarily doomed reform before it has begun.

And what are the consequences? Instead of creating 25,000 units of quality housing, Congress will mandate the Chicago Housing Authority to demolish 19,000 units and keep 19,000 substandard ones. Instead of creating new construction jobs and business opportunities for small- and medium-sized minority ventures, Congress will close the door of opportunity. Instead of new schools, parks, roads, and needed housing opportunities for people of all incomes, Congress will have refueled segregation and pockets of poverty. And instead of demonstrating that government can be an active productive partner with private industry in the recreation of new opportunities for business and future customers, Congress will

keep demanding compliance and reinvestment without demonstrating the will to put its money where its mandates are.

So I say to this Congress that without additional Hope VI funding, there is no hope. A promising future will be nothing more than broken promises. Those towers of misery will continue as barricades to advancement, locking future generations into poverty and preventing this country from wiping a terrible stain from its past.

Mr. Chairman, I urge support of the Mollohan amendment and urge that we vote down the cuts and raise hope.

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

I appreciate the hard work that my colleague, the gentleman from New York (Mr. WALSH), has done with the low funding allocations that he was given, however this spending bill makes cuts in Housing and Urban Development's efforts to address affordable housing, community development and economic development issues. I am pleased to take this opportunity to speak in support of the Mollohan amendment to increase the funding for the HUD housing programs by \$1.8 billion.

This amendment addresses the drastic underfunding in this bill of several important HUD programs in the country and in my district. Under the President's budget, the Rochester, New York area would have received an increase of \$4 million over last year. But, instead, under this bill being considered this evening, my district will have its programs cut by \$400,000. These cuts mean fewer people will be able to purchase a home, fewer people with HIV/AIDS will receive housing assistance, less 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 unassisted 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 is inadequate. 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 particularly on the majority party always speak of, fostering family values. How can we foster family values if we do not value the family? These families need a decent place to live and we must increase the HUD-VA budget.

When we had 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 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 Mollohan amendment, will be convincing me more and more each and every day that Robin Hood was right.

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

Mr. Chairman, I rise to support 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. That is like having the entire city of 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.

□ 1915

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 for public housing, 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 community. 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 make homeownership a priority. This bill actually cuts the HOME program. And it does not do enough for the homeless. This is a housing budget.

If we help anybody, we should at least help the people who have no house at all. Instead, we keep homeless funding at the same inadequate amount that we gave them last year. It is not that there are any less homeless people. In fact, there are more homeless people.

The Urban Institute recently updated their study on homelessness. The new

study showed that over 840,000 people live on the street any given night. We should be ashamed. Twenty-five percent of those people are children. That is more people than live in Detroit or Milwaukee or San Francisco. Imagine on any given night that everybody in San Francisco, even the children, have to line up in a homeless shelter. This bill leaves them out in the cold.

There are lines of people waiting for affordable and decent housing in Chicago, in Washington, in San Francisco, in Boston, in rural America, in the South, in the North, everywhere. And this bill does not enough, almost nothing, and certainly nothing additional to help them.

With a booming economy and budget surpluses, we can help the families, the seniors, the communities, and the homeless. The President asked for that money to provide more help. 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 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 carrying out activities under section 9(h) of such Act, for lease adjustments to section 23 projects and \$43,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That no funds may be used under this heading for the purposes specified in section 9(k) 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.

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(k) of the United States Housing Act of 1937.

AMENDMENT OFFERED BY MRS. KELLY

Mrs. KELLY. 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 first dollar amount, insert the following: "(reduced by \$1,000,000)".

Mrs. KELLY (during the reading). 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 gentlewoman 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 re-

ported for years that HUD operations suffer from systematic management weaknesses. HUD's response has been the HUD 2020 Management Reform Plan, but the IG reports that the agency remains far from addressing the 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:

Contract No.	Task Order No.	Contractor Name	Date of Award	Amount of Contract	Purpose
OPC-21273	5	Price Waterhouse Coopers	Unknown	Indefinite Quantity	Responding to audits and findings (the GTR is from Housing)
OPC-21217	4	Price Waterhouse Coopers	9/30/99	\$1,000,000	FILA Audit Response
OPC-18542	14	Price Waterhouse Coopers	10/30/98	126,984	Evaluate the accomplishments of 7 critical projects of HUD 2020
OPC-21387	Basic	Squire, Sanders & Dempsey	3/31/99	200,000	Legal Services to assist in defense of claims asserted
Purchase Order		Day, Berry & Howard	5/26/98	48,000	Investigation of EEO complaint
Purchase Order		Williams & Connolly	5/26/98	49,875	Investigation of EEO complaint
OPC-18531	4	Ernst & Young	9/21/99	146,962	Independent analysis of CB effectiveness
OPC-18532	8	Booz-Allen	9/26/97	37,576	2020 Technical Assistance
OPC-18532	9	Booz-Allen	12/18/97	412,724	2020 Assessment, includes subcontracts with Champey and Osborne
OPC-18533	4	Andersen Consulting	7/15/99	155,713	HUD Customer Survey

Above is a listing of HUD initiated contracts that were intended to dispute OIG audit or investigative matters. A comprehensive listing would be difficult to compile. The procurement data system (1) has hundreds of vendors, (2) does not identify subcontractors, (3) is not linked to the HUDCAPS disbursement system, and (4) the tasks descriptions provide minimal detail. Also, the amount column is the obligation amount, actual payments would need to be verified with the payment system (HUDCAPS). We suspect that costs were greater for some contract items, but we are uncertain as to if and when these payments were made.

The National Academy of Public Administration (NAPA) has conducted several reviews of HUD activities at the specific direction of Congress. NAPA's contract activity with HUD has been a little over \$1 million. NAPA's reviews of procurement and staff resources are two recent examples where HUD used favorable portions of these reports to dispute issues developed during OIG audits.

Mr. Chairman, these reports were compiled by Price Waterhouse, Coopers, Booz Allen, Anderson Consulting, Ernst & Young, and others. While outside evaluations are helpful, my concern is that HUD directed their focus away from their problem areas or limited the scope of the consultants' report to such a point that they could not properly evaluate the program.

For instance, Ernst & Young was paid nearly \$150,000 last September to evaluate the effectiveness of the Community Builders program. Unfortunately, they were limited to a select 40

community builders, each chosen by HUD of 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 affordable housing and not a good 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, where 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 join me in favor of an amendment to send a clear message to HUD on the proper use of HUD funds.

The waste, fraud, abuse, poor oversight, and mismanagement indicative of HUD must be properly addressed and denied no longer.

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

Mr. Chairman, I rise to speak in favor of the Kelly amendment. This amendment would help ensure that funds will be spent on helping individuals purchase housing and not on the wasteful 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 \$400,000. 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

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 the cost of \$927 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 16 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 homeownership assistance to the most needy 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 \$935 million in 1998 and \$8.5 million for storefront operations that never benefited the public. Or we may look to HUD's staffing shell game. For years HUD had 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.

□ 1930

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, the importance of these 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. That report is damning. 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 HUDCAPS, 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. The Community Builders Program quite frankly has been little more than a public relations effort. The Inspector General's report says that it is full of, quote, inappropriate hiring. That is putting it mildly. The Inspector General, not me, not the House Republican Conference, not the RNC, says that this program does very little if anything, very little if anything, to address the core mission of affordable housing. This directs valuable dollars away from where we need it most. We need to get back on track.

The Kelly amendment is simple. It is common sense. It helps HUD to refocus on its core mission of providing affordable housing. It does not cut staff. It does not cut core programs. It cuts self-promotion. It sends the money back to where it belongs. A number of my colleagues have and will tonight speak about the lack of funding for affordable housing, and I share some of their values and some of their concerns. This amendment is a simple, common sense way to meet the needs that my colleagues have enunciated. If we want to put more money in affordable housing programs, this amendment is the way to do it.

Mr. SUNUNU. Mr. Chairman, I move to strike the requisite number of words. I rise in strong support of the Kelly amendment. I would anticipate after all the rhetoric we heard on the preceding amendment that this would receive strong bipartisan support given the concern that the minority has expressed for doing more in the key operating accounts of this bill. This is a case where the Representative merely wants to take \$1 million from non-essential expenses, from report writing, from promotion within the Housing Department and put it into an account that will help people receive affordable housing, \$1 million, from nonessential administrative overhead into a program that will enable more people to get the housing that they deserve.

We have heard about waiting lists for some of these important programs, and I think that there is a tremendous amount of merit in this common sense amendment. But it is a very modest amendment, let us face it. We can do even more. We should be doing even more. I have been fortunate to be the chairman of the task force on the Committee on the Budget that has looked at other ways to find the resources to put into these key accounts that help people with a certificate and a voucher program, for example. One of the problems that we uncovered within HUD was an inability to truly verify the income of those that receive housing benefits.

Now, that is important because if HUD is underestimating the income of beneficiaries, it is overpaying subsidies. And if it is overpaying the subsidy to someone who is in public housing, then there is someone else that is not in the housing that cannot benefit because someone is taking their place, perhaps inappropriately, because they have misreported their income.

Well, it stands to reason that we should be able to verify the income of those that are relying on the Federal Government for such a significant and important subsidy. Unfortunately, HUD cannot. How big is this problem? Is it \$1 million? No. Is it \$10 million? No. Is this a \$100 million problem in HUD? No. Is this a \$500 million problem? It is even bigger than that. HUD and the GAO estimates there are \$935 million in subsidy overpayments every year. This is not a historical problem. This is a yearly problem. Last year they estimated it at over \$800 million. This year \$900 million. What does that mean? That means over 100,000 families on the waiting lists cannot get access to existing affordable housing.

Now, the members of the administration that testified said, "Well, we don't know for sure that it's \$935 million." I am the first to admit it is very difficult to estimate the exact amount of the overpayments. But even if we are off by a factor of two, that is still nearly \$500 million that taxpayers are sending to Washington that we are appropriating to HUD that everyone in this body and across the country thinks is going to affordable housing and it is not. We need to do better. This is a very modest step in the right direction, taking \$1 million from administrative overhead and helping people get the housing that they need. I very much hope that this will be supported on a bipartisan basis because it is not just a good amendment, it is common sense.

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

Mr. Chairman, I cannot imagine this amendment being supported on a bipartisan basis. The fixes that we need to HUD were contained in the Mollohan amendment, to increase funding for in-

cremental Section 8 vouchers, for public housing capital fund, for the public housing operating assistance, for Native American housing 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 proposes to cut another \$1 million out of, the S&E account.

Obviously it takes money, it takes people to administer these programs. The request from the President for the FTEs, that is, the number of people to work at HUD to help people with housing problems, to administer all of these programs that are short-sheeted in this bill, the President's request was for 9,300 FTEs. This bill funds 9,100, already a significant cut. The President requested \$1.095 billion for the S&E account, the account that the gentleman 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 jab at the civil servants who work hard every day in every way to deliver these needed services to people who are the most needy in our society. No, I cannot imagine this amendment being supported on a bipartisan basis because I think we understand the motives behind it.

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.

After all, each day that this inspection continues provides us with information about the condition of another 120 to 150 living units. Let us see. 4.6 million, 120 to 150 a day. That means in the year 2084, the complete report will be available. I can hardly wait to see it. We should applaud this effort.

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

to be published in the paper. Do whatever will get your specific media interest. Here is the local information in case you deleted the earlier copy. Find out who to send it to. Call your local daily newspapers. Fax the localized op-ed to the editorial editor. After all, the House is voting on the budget today or tomorrow. We expect the Senate to take up our appropriations bill very soon. Please send me an e-mail of all of your local op-eds and your plan of attack for getting the piece placed in as many newspapers as possible in your area.

Now, on the one hand in the 105th Congress we have a law that says you are not to do this and in virtually that same year we have the employees of HUD actually doing that under the auspices of Community Builders.

Let me share with Members the financial details of the Community Builders Department. This program has 440 temporary slots and 372 permanent slots. One might ask, what does a community builder do? That would be very appropriate. Because the Inspector General found that HUD could not document what the community builders were even doing.

□ 1945

Further, in one sample by the Inspector General, of 59 Community Builder individuals interviewed, 39 reported that they spent over 50 percent of their time on public relations activities.

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

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

Mr. OSE. Mr. Chairman, just think, they spent 50 percent of their time on public relations activities. Just think, we have a whole new cadre of people out in our community doing public relations work on behalf of HUD, in this case, 812 people whose task it is to highlight the accomplishments of HUD. According to the Subcommittee on VA, HUD and Independent Agencies who exercises oversight, these individuals are paid an average of \$91,000 per year, \$91,000 per year on average. Just think, 812 of them, what a great job. That is \$73 million a year for public relations, not for housing; for public relations.

I could go on. Believe me, I could go on; but we do not have enough time today. The amendment of the gentleman from New York (Mrs. KELLY) is long overdue. There is not a clearer or a more compelling case that highlights the failures of HUD as respects their financial conditions or their public relations efforts.

Just think, almost \$73 million that Secretary Cuomo decided to spend on public relations instead of housing, and the gentleman from West Virginia (Mr. MOLLOHAN) is telling me we do not have a million dollars to cut out of S&E.

I hope that Secretary Cuomo can soon report to us that his public relations are in order so he can then concentrate on the task that HUD was created for. What a great thing, HUD focusing on housing.

Support the symbolic effort presented by the amendment from the gentlewoman from New York (Mrs. KELLY). Vote yes on the Kelly amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mrs. KELLY).

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 amendment offered by the gentleman from New York (Mrs. KELLY) will be postponed.

The Clerk will read.

The Clerk read 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, and for drug information clearinghouse services authorized by 42 U.S.C. 11921-11925, \$300,000,000, to remain available until expended, of which \$5,000,000 shall be solely 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 this 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, \$565,000,000, 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 by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided*, That 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.

Mrs. 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 level of 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 to ensure 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 gentleman 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 regards to funding levels. I will continue to work with the gentlewoman and our colleagues, the Senate and the Administration to ensure that VISN 3 is not just disproportionately disadvantaged under the funding levels contained in this bill and ensure that the VA ends their delays on the hepatitis C funding issue.

I also want to assure the gentlewoman that I, too, find the delays and unresponsiveness of the VA intolerable. I will continue to make my displeasure clear 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 read as follows:

NATIVE AMERICAN HOUSING BLOCK GRANTS  
(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (Public Law 104-330), \$620,000,000, 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 expertise, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to \$300,000 for related travel and \$2,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That of the amount provided under this heading, \$6,000,000 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 the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$54,600,000: *Provided further*, That for administrative expenses to carry out the guaranteed loan program, up to \$200,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND  
PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and

Community Development Act of 1992 (106 Stat. 3739), \$6,000,000, 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 \$71,956,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to \$150,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

COMMUNITY PLANNING AND DEVELOPMENT  
HOUSING OPPORTUNITIES FOR PERSONS WITH  
AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), \$232,000,000, to remain available until expended: *Provided*, That the Secretary may use up to 1 percent of the funds under this heading for training, oversight, and technical assistance activities.

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 \$18,000,000)".

In the item relating to "INDEPENDENT AGENCIES—NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES", after the second dollar amount, insert the following: "(reduced by \$18,000,000)".

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 California.

Mr. HORN. Mr. Chairman, this amendment is tremendously important for thousands of people. It funds the Housing Opportunities for People with AIDS. We are requesting an increase. Consider these facts: HIV prevalence within the homeless population alone is estimated to be 10 times higher than the infection rates in the general population. Primary care providers and people living with HIV/AIDS repeatedly cite the lack of affordable housing as the single most detrimental barrier to accessing real health care.

When the number of individuals living with AIDS increases, the number of eligible housing sites also needs to increase. HOPWA-funded beds in residential facilities are 80 to 90 percent less expensive than an acute-care hospital bed. The HOPWA program reduces the use of emergency care services by \$47,000 per person per year.

Last year, this vital Federal program provided over \$27 million for California alone. Across our Nation this year, there are four new eligible metropolitan statistical areas that will be added to the program. Those are the new areas, Albany, New York; Baton Rouge, Louisiana; Columbia, South Carolina; and Oklahoma City.

Other States will also qualify for HOPWA funds. In this appropriation bill, the HOPWA level is level funded at last year's level. Without the adoption of our amendment, every HOPWA recipient will experience a funding cut. That is why this modest increase of \$18 million dollars is so desperately needed. I encourage all of my colleagues to vote for the bipartisan Shays-Nadler-Horn-Crowley-Cummings-Foley amendment. That amendment provides needed services and justice, Mr. Chairman.

Mr. CROWLEY. 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-Horn-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. FOLEY), who are also cosponsors 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 everyone to support this amendment.

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 but could not, 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, those funds are not wasted there either, but this is a priority 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 estimates 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 since 1980, more than 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 per-

sons living with AIDS to 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 likewise, rise in support of the amendment.

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 nations 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 Programs operate at capacity 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, we need 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 CalPEP, 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 over looked 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, like all of us, people living with HIV/AIDS dream of living in suitable and quality homes. We must ensure that all people have a place they can call home. We have to do everything we can to close the housing gap.

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 or 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 one 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 decide between essential medicines 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. Let's make this real—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 any program. But when confronted 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. I am not saying that NSF's programs are not worthwhile, but we need to have compassion for those people who struggle to live each day with AIDS. They need our assistance and we cannot leave them out in the cold.

Let's show compassion. Vote for the Nadler-Shays-Crowley-Horn-Cummings-Foley.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the amendment proposed by the gentleman from New York, which would reduce funding for polar research at the National Science Foundation by \$18 million and increase 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 science 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 this 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 put the "new economy" at risk. The basic research NSF funds in the biological and other sciences is a vitally important 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 gen-

tleman from New York proposes to reduce funding for the National Science Foundation by \$18 million in order to increase funding at the Department of Housing and Urban Development by the same amount. 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 since 1994."

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 individuals with 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. 90% 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 269 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.

Consequently, 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 \$16,000,000)".

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 \$69,000,000)".

Page 38, line 2, after the dollar amount, insert the following: "(increased by \$9,000,000)".

Page 52, after line 6, insert the following new sections:

REDUCED DOWNPAYMENT REQUIREMENTS FOR LOANS FOR 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;

"(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 insurance of the mortgage, had any present ownership interest in a principal residence located in the jurisdiction described in clause (ii); and

"(ii) made for a property that is located within the jurisdiction of—

"(I) in the case of a mortgage of a mortgagor described in clause (i)(I)(aa), the local educational agency (as such term is defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) for the school in which the mortgagor is employed (or, in the case of a mortgagor employed in a private school, the local educational agency having jurisdiction for the area in which the private school is located); or

"(II) in the case of a mortgage of a mortgagor described in clause (i)(I)(bb), the jurisdiction served by the public law enforcement agency, firefighting agency, or rescue or ambulance agency that employs the mortgagor."

(b) DEFERRAL AND REDUCTION OF UP-FRONT PREMIUM.—Section 203(c) of the National Housing Act (12 U.S.C. 1709(c)(2)) is amended—

(1) in paragraph (2), in the matter preceding subparagraph (A), by striking "Notwithstanding" and inserting "Except as provided in paragraph (3) and notwithstanding"; and

(2) by adding at the end the following new paragraph:

"(3) DEFERRAL AND REDUCTION OF UP-FRONT PREMIUM.—In the case of any mortgage described in subsection (b)(11)(B):

"(A) Paragraph (2)(A) of this subsection (relating to collection of up-front premium payments) shall not apply.

"(B) If, at any time during the 5-year period beginning on the date of the insurance of the mortgage, the mortgagor ceases to be employed as described in subsection (b)(11)(B)(i)(I) or pays the principal obligation of the mortgage in full, the Secretary shall at such time collect a single premium payment in an amount equal to the amount of the single premium payment that, but for this paragraph, would have been required under paragraph (2)(A) of this subsection with respect to the mortgage, as reduced by 20 percent of such amount for each successive 12-month period completed during such 5-year period before such cessation or prepayment occurs."

#### HYBRID ARMS

SEC. 208. (a) IN GENERAL.—Section 251 of the National Housing Act (12 U.S.C. 1715z-16) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" after "(a)";

(2) by striking subsection (b) and inserting the following new subsection:

"(b) DISCLOSURE.—In the case of any loan application for a mortgage to be insured under any provision of this section, the Secretary shall require that the prospective mortgagee for the mortgage shall, at the time of loan application, make available to the prospective mortgagor a written explanation of the features of an adjustable rate mortgage consistent with the disclosure requirements applicable to variable rate mortgages secured by a principal dwelling under the Truth in Lending Act (15 U.S.C. 1601 et seq.);"

(3) in subsection (c), by inserting "LIMITATION ON INSURANCE AUTHORITY.—" after "(c)"; and

(4) by adding at the end the following new subsection:

"(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 mortgagee 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 section 251(d) of the National Housing Act (12 U.S.C. 1715z-16(d)), as added by subsection (a) of this section, in advance of rule-making.

Mr. FORBES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. SANFORD. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

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 wages. The costs 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 on Long Island, 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 home 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.

□ 2000

I would reference a firefighter living in Suffolk County, New York, Dennis Curry, who is with the North Patchogue Fire Department, and his fiancée, 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 over to fix up this 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 in previous times 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 \$114 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 is the same 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 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 has 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 were more focused 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 recognize 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.

Being accused by my Republican colleagues of 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 Wisconsin's parliamentary argument had such force.

We have a bill which has been supported by the authorizing committee unanimously, which was overwhelmingly 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, because 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 apparently had a rare fit of opposition 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 finished the authorization process.

So I guess I would say to the gentleman 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 homeless, for housing for the elderly. These are programs which are overwhelmingly supported by local governments, by constituents, by the people who benefit from them.

Mr. SANFORD. Mr. Chairman, will the gentleman 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 gentleman is laying is an incorrect one, because we are really not talking about the Republican Conference as a whole. What we are talking about was that I was one of the eight that happened to vote against this when it came to the floor. In the same way that you so skillfully have used every arrow in essence in the legislative quiver, this is simply a way of blocking legislation that I disagree with.

Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, I accept that. I thank the gentleman, and I would say, yes, the gentleman has been consistent in this regard, so my charge of inconsistency does not lie against him. It is true, the gentleman is the one individual Member who raised that, and I appreciate that.

All the more reason though to say when we get into the conference committee and when this comes back to the floor, unless the gentleman's num-

bers multiply more than I expect, and unless 8 becomes twice 80, 3 times 80, then this will be law. So we can ask, I hope, if the only reason we are not going to accept this now is the admirable consistency of the gentleman from South Carolina, he has been admirable in his consistency and I appreciate that, but if that is the only problem we have to adopting it now, I would hope when this bill finally comes before us as a real bill, and not the Halloween fake skeleton that it is now is, this amendment of the gentleman from New York will be in it, and the gentleman from New York's proposals will be accepted.

Mr. OBEY. Mr. Chairman, will the gentleman 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 provision that the gentleman seeks to use 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 gentleman from Massachusetts (Mr. FRANK) has expired.

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

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

Mr. OBEY. Mr. Chairman, I would certainly 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 genealogy.

With the renewed hope that in conference, 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 speaker, I think it was a good dialogue, 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. It is not your money. 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 consumption. 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 anything. 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 mind someone having 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 their children. 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 senior citizens.

□ 2015

After rhetoric and rhetoric and rhetoric, they said, in 1993, we want to give tax relief to the middle class, tax relief to the middle class, but yet the Democrats gave us one of the highest tax increases in the history of this country; and again, they could not help themselves, they had to tax the middle class as well. That was extra revenue for their spending here. They increased the tax on Social Security. Every dime out of the Social Security Trust Fund, they put up here and they used that with the tax increase to increase spending, and then they cut defense \$127 billion. We think that is wrong.

Mr. Chairman, I would say to my colleagues 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 cause lower interest rates, and in 1993, the Democrats' budget had deficits of \$200 billion and beyond, forever; and they still increased spending and increased 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, supported 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. Then he ran 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 ap-

proaching \$300 billion, and we have been trying to dig out from those deficits for the last 18 years. Those deficits have added almost \$4 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 surpluses in very large amounts, 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 400 richest people in this country \$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 teach. 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 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 reserve 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. Will the gentleman from New Jersey yield?

Mr. FRELINGHUYSEN. Mr. Chairman, I am yielding to the gentleman from California.

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

PARLIAMENTARY INQUIRY

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. CUNNINGHAM. 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. FRELINGHUYSEN. Mr. Chairman, I will not yield, only to the gentleman from California.

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 and 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. Yet my colleagues 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, our vision is different. We pay down the national debt, keep the balanced budget going, and then we will be able to really help the people of this country by having a smaller, more efficient government, and again, which the left cannot stand.

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

Mr. FRELINGHUYSEN. 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. Mr. Chairman, 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.

□ 2030

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 override, so the notion that Ronald Reagan was facing 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 the Forbes amendment. 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 Mollohan amendment. The Mollohan

amendment was timely and urgent. I regret a point of order was raised against it, and I regret my colleagues raise a point of order 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 troubling trend, a trend 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.

This group of Americans are called cost-burdened, according to HUD. That means they are spending more than 30 percent of their income for 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 spiralling costs of rental housing has been completely ignored.

There are actions we can seek to begin to take, and we should do it indeed 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. I think we 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. OBEY), 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 8 housing 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 that there are over 131,000 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 people with AIDS, or for Native American block 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 27 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 my colleague's 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 move to strike the requisite number of words.

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 with the 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 these worthy housing programs that I support and I have to imagine the majority supports.

I want to commend the gentleman for that and speak in particular favor of it, because all that has to happen for us to have the increase 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 the President's request 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 release 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 an overwhelming majority 417 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 homeless, 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 move forward and, perhaps 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.

□ 2045

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 outvoted on this, but a belief 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 the 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 is prepared to rule.

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 read 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, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing 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.

#### AMENDMENT NO. 36 OFFERED BY MRS. MEEK OF FLORIDA

Mrs. MEEK of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 36 offered by Mrs. MEEK of Florida:

Page 30, after line 14, insert the following new items:

#### URBAN EMPOWERMENT ZONES

For grants in connection with a second round of the empowerment zones program in urban areas, designated by the Secretary of Housing and Urban Development in fiscal year 1999 pursuant to the Taxpayer Relief Act of 1997, \$150,000,000 to the Secretary of Housing and Urban Development for "Urban Empowerment Zones", including \$10,000,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone, to remain available until expended.

#### RURAL EMPOWERMENT ZONES

For grants for the rural empowerment zone and enterprise communities programs, as designated by the Secretary of Agriculture, \$15,000,000 to the Secretary of Agriculture for grants for designated empowerment zones in rural areas and for grants for designated rural enterprise communities, to remain available until expended.

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

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

Mrs. MEEK of Florida. Mr. Chairman, my amendment is an amendment that would include \$150 million to Round II Urban Empowerment Zones and \$415 million to Rural Empowerment Zones, the full amount proposed in the President's budget for fiscal year 2001. It would serve as a down payment on the funds which were promised and have been due to Round II funds.

I realize, Mr. Chairman, that this amendment does not include an offset. We hear a lot on this floor about offsets. I think we hear too much of that. We are hearing it because it is an intellectual cop-out that we use when we do not want to fund something.

But I am pleading with this body to understand the importance of the Empowerment Zone. It is a major economic development initiative designed to revitalize deteriorating urban and rural communities. Its purpose is to create jobs and business opportunities in the most economically distressed areas of the inner city and rural heartland.

The growth of the economy has bypassed these communities. Take my home county of Miami-Dade. We were given a designated Empowerment Zone, and the unemployment rate is 15 percent, and the poverty rate is 48 percent. Clearly, trickle-down economics is not working for these communities.

The Empowerment Zone discussion in this Congress is a well-kept secret. No one talks about it. No one wants to discuss it. Yet, there are Empowerment Zones in Round II that have been designated for many communities of people who are on this floor, who have

promised and told their constituents that they would get Empowerment Zones: Southwest Georgia; Riverside, California; Boston, Massachusetts; Cincinnati, Ohio; St. Louis, Missouri; Knoxville, Tennessee; New Haven, Connecticut; Columbus, Ohio, are just a few of them. The one in Miami is in my district. The growth of the economy has bypassed these districts.

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 will be contributed 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 spent 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 gentleman 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, getting the funding for the Round II Empowerment Zones has been impossible. Last year, the VA-HUD appro-

priations bill for fiscal year 2000 included \$3.6 million for each Round II Empowerment Zone instead of the expected \$10 million for the first year.

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. I do, Mr. Chairman.

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

Mr. Chairman, I would like to tell the gentlewoman from Florida (Mrs. MEEK) that many of us on this side of the aisle, reaching way back in history to Jack Kemp, when Jack Kemp talked about Enterprise Zones and reducing the burden, what we found in the inner cities is that a lot of the businesses left, crime erupted because the businesses left because of crime; and then it became a vicious cycle of welfare and drugs and the rest of the things. People had no place to work.

In Los Angeles, during the riots, the Enterprise Zone worked very good because many of those small businesses, already depressed, produced no revenue. It put people out of work. They were then drawing welfare or unemployment. Instead, then Governor Pete Wilson set up Enterprise Zones to reduce the taxes on those particular areas so that they would have a chance to start. Guess what, those small businesses came back with reduced tax rates. They hired people. So instead of drawing welfare or unemployment, it put working people to work.

The Enterprise Zone, or I am not sure of the Empowerment Zone, but I would imagine it is very simple, and it worked very, very well. I do not know, but I would think that that would be under the Committee on Ways and Means. I am not sure if it is under the jurisdiction of this committee or not since it deals with taxes, but maybe the gentlewoman from Florida is talking about something different. But the concept of going in and helping people to help themselves is a good one.

Mr. Chairman, I yield to the gentleman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Chairman, I thank the gentleman for yielding to me. The Empowerment Zone concept is a well-kept secret. In terms

of what committee of reference it should preside, it is hard to say in that, since we have been relegated, been given an Empowerment Zone, I do not think any committee has dealt with it, particularly with the Round II short-changes we have had.

I thank the gentleman for really letting the Congress understand what Empowerment Zones do, because if they are funded, they can bring the community together. It is one of the strongest economic development initiatives, and I wish we could fund it.

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.

But I also want to say the value of the gentlewoman's amendment is far understood. 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 like 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 gentleman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Yes, Mr. Chairman. I think the gentlewoman from South Carolina is right. There is 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, reclaiming my time, did it include Empowerment Zone and enterprise community, both rural and urban areas?

Mrs. MEEK of Florida. Mr. Chairman, if the gentlewoman will yield, that 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 gentlewoman from Florida.

Mrs. MEEK of Florida. At the funding level they were promised, Mr Chairman.

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 allowed us 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 infrastructure that would attract the businesses 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 together, and you need to have staff in order to do that, and that is what we are suffering from.

□ 2100

Mrs. MEEK of Florida. If the gentlewoman will continue to yield, I thank her for her contribution, because she has really applied the cause for enterprise zones in rural communities.

I am just hoping as we go along that the chairman, in all of his work with the committee and in conference and with the ranking member, will work forward to getting monies into empowerment zones and the enterprise communities. They are both very worthy causes.

Mrs. CLAYTON. Reclaiming my time, Mr. Chairman, if I entertain the chairman in a colloquy, and I know the chairman is committed, because I know he is one of the most committed persons to economic development and housing. I know it pains him that he cannot provide all these resources, but does the gentleman still persist that he must have a point of order?

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

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

Mr. WALSH. Mr. Chairman, I would just respond to the gentlewoman that the reason for this is because it is clearly the jurisdiction of the Com-

mittee on Ways and Means, and we cannot usurp that jurisdiction. It would be a problem.

I have listened to 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, reluctantly, I have to insist on the point of order.

#### POINT OF ORDER

The CHAIRMAN. Will the gentleman 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 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 section 302(f) of the Act.

I ask for a ruling from the Chair.

The CHAIRMAN. Does the gentlewoman from Florida (Mrs. MEEK) wish to be heard on the point of order?

Mrs. MEEK of Florida. No, I do not.

The CHAIRMAN. The Chair is prepared to rule.

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 gentlewoman from Florida (Mrs. MEEK) would, on its face, 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.

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

Mr. Chairman, let me just say first of all that I am reminded tonight of the fact that really the right to decent and affordable housing should really be a basic human right and this bill goes in the opposite direction.

As a member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services, I am acutely aware of the enormous housing needs of our Nation, and especially in the State of California. Housing costs in northern California, which I represent, are particularly alarming. Housing costs are reaching astronomical heights and are becoming increasingly impossible for

moderate wage earners to meet. The working poor, the disabled, and our senior citizens are in greater jeopardy than ever.

Today, I talked to a constituent who is a senior citizen in my district, and who is in desperate need of housing. She has been told that there are from 3 to 5 years in terms of a waiting list. Now, that can be a lifetime for an elderly individual. If anyone needs confirmation of this crisis, I direct their attention to the State of the Cities report released by HUD this past Monday in Seattle.

This report outlines the paradox between economic growth that is increasing employment and homeownership and the dramatic increases in rents and housing prices. The report also notes that over the 1997 to 1999 period, house prices rose more than twice the rate of inflation and rent increases exceeded inflation for all 3 years. Furthermore, among the top 10 markets that HUD identifies as the hottest high-tech markets, house prices rose more than 18 percent in the last 2 years, and in 1999 rose by 27 percent. That is outrageous.

In this best of all economic times, deservedly celebrated as unusual in its longevity, why are we now talking about cutting out the bare necessities for those who absolutely cannot survive without help? Why are we cutting the bare bones of housing and the economic opportunities to really reach some level of self-sufficiency?

We kick people off welfare and tell them to be independent and we keep a few scaffolds to hold them up until the foundations and the pillars can be reinforced. With the cuts in this bill, we are kicking out these few scaffolds and supports that remain. So what do we suppose will be the outcome?

Congress must do more than maintain the status quo with the underfunded Section 8 program. Congress should do better than ignore the moving to work program and dismissing welfare to work vouchers. We can also do better than underfunding elderly and disabled assistance programs by \$78 million.

Mr. Chairman, the American Dream is one of living in suitable and quality homes. It rightfully gives us a serious stake in this society. Having safe, clean affordable housing really allows us to have a solid place from which we can accumulate some wealth, for those who can afford to buy a home, to care for our families, to send our kids to decent schools and to invest in dreams for the future. This bill really does turn those dreams into nightmares.

This Congress is elected to serve everyone in this Nation, as well as to be particularly attentive to our own constituents. This bill is neither attentive nor cognizant of the fact that millions are homeless or live in substandard housing. It also ignores the fact that millions are living from paycheck to

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, 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 demand to be heard. I stand 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 Grants, were developed for those 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 last year's CDBG 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 \$28 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 redevelopment.

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.

If 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 without decent housing and living conditions, and those living in deteriorating communities.

We must never forget the words inscribed at the Statute 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, \$4,214,050,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301), to remain available until September 30, 2003: *Provided*, That \$67,000,000 shall be for flexible grants to In-

dian tribes notwithstanding section 106(a)(1) of such Act, \$3,000,000 shall be available as a grant to the Housing Assistance Council, \$3,000,000 shall be available as a grant to the National American Indian Housing Council, and \$39,500,000 shall be for grants pursuant to section 107 of the Act: *Provided further*, That \$15,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That \$20,000,000 shall be for grants pursuant to the Self Help Housing Opportunity Program: *Provided further*, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974, as amended) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the department.

AMENDMENT NO. 37 OFFERED BY MRS. MEEK OF  
FLORIDA

Mrs. MEEK of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 37 offered by Mrs. Meek of Florida:

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

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

The CHAIRMAN. The gentleman from New York (Mr. WALSH) reserves a point of order against the amendment.

The gentlewoman from Florida (Mrs. MEEK) is recognized for 5 minutes.

Mrs. MEEK of Florida. Mr. Chairman, it is really heart wrenching and heartbreaking when a point of order is usually coming from the floor regarding some of the things that people back home do not even understand.

Someone who does not have housing, someone who is living in a run-down dilapidated community knows nothing about the nomenclature of this Congress. That nomenclature includes off-sets, it includes point of order, it includes authorize. All of those types of terminology is based on a stalling technique to hold back growth in the cities. Now, our cities are rundown, they are dilapidated, and we need to do something about it. That is what Community Development Block Grant money is supposed to do.

Now, I have fought very hard on this floor for CDBG funds. They are being dissipated with everything but what they were designed to do. Many times that is by design. But, anyway, I want to increase the funding in the bill for Community Development Block Grant programs, and I want to increase it by \$395 million to raise the funding level in the bill to \$4.9 billion. That is the President's request.

□ 2115

Now, Mr. Chairman, I understand my amendment raises community development funding only to the level of \$4.9 billion. So we can see 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 particular amendment. But I want to raise the consciousness of this Congress as well as to have them realize that something has to be done to improve Community Development Block Grant funds.

I have a letter here, Mr. Chairman, from the Conference of Mayors, in which I am sure, just reading this, there are more than 200 signatures on this letter; and they are calling for a community development funding level of \$5 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 \$5 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 6 years ago. Six years ago there was more money 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. We 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's poor. It is one of the first 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 distressed 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, the lives of 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.

The one sort of valuable asset that most people ever 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 5½ 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 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 the other side, finding 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 many ways, it is the public and the private partnering, working together to empower people who ordinarily might not be empowered. We have an opportunity, unlike any generation of Congresspeople, searching for solutions at a time when we are not running a deficit. We still have an enormous debt that we have to service and ensure that we pay down, and there are plans on the table in which to do that, but we now have a chance to help empower new groups of people and not worry as much as perhaps a generation before.

My dad served in this Congress for 22 years. He never had this chance, never had this opportunity. What do my friends on the other side choose to do with this chance and this opportunity? 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. All they are wanting is a hand up. We have an opportunity to do that this evening and in the coming days in this Congress. But based on what has been put before this Congress, H.R. 4635, it seems once again we are going to fail not only those in Florida, not only those in Texas, not only these in New York and Tennessee and even my dear friend from New York, but we are going to fail the 5½ million people scattered across this country who are doing nothing more than asking what every stockbroker in the stock exchange asks for, and I support that, what every high-tech executive in Silicon Valley and Silicon Alley and Austin and Boston and Northern Virginia are asking for, just a chance and just an opportunity.

We have a chance in this Congress to do that this evening and in the coming days. I would hope my colleagues on the other side would take a second look at what they propose and make the effort to fix it. This is one way to fix it, to support the amendment of the gen-

tlewoman from the great State of Florida.

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

Mr. WALSH. Yes, I do, Mr. Chairman.

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

Mr. Chairman, I think the gentlewoman from Florida (Mrs. MEEK) has presented us with an excellent opportunity. I wish I could waive the procedural wand. And I do respect the chairman retaining and reserving his point of order.

I stood on this floor before, and I have acknowledged the hard work of the chairman and the ranking member. I did that as I supported the effort of the ranking member to add \$1 billion to this legislation, this appropriations bill. And now I come to acknowledge the good work of the gentlewoman from Florida (Mrs. MEEK) on two elements that she has offered to explain to the American people and to our colleagues.

I said that I wished I had a magic wand, because I think the message that we are trying to portray and to explain is that this is a return on America's tax dollars. We have come to the floor of this House and eloquently debated the importance of giving an estate tax relief; and, frankly, I believe that over the long haul we can collectively, in a bipartisan way, do something for those individuals who deserve some estate tax relief.

The bill we passed the other day, of course, was just to fatten the pockets of about 1 percent of America's people.

But when we begin to talk about an Empowerment Zone and Community Development Block Grants, we are talking to the working men and women of America; and we are saying to them, we are not grabbing hold of their tax dollars, holding them close to our chest, never to return them back to the highways and byways of the local community.

What the gentlewoman from Florida (Mrs. MEEK) is arguing for is to give back to the people of America who live in rural areas and urban areas who are sometimes keeling over from decay, give them back the tools that they can work themselves.

Our President and the leadership gathered together to understand the concept and promote the concept of empowerment and they named it Empowerment Zones. I understand that my colleague from Florida has an Empowerment Zone. The good citizens of Houston and other parts of Texas are seeking to secure an Empowerment Zone.

It is not a handout, Mr. Chairman. It is putting the mind and the intellect and the engine of ingenuity together in our local communities coming up with a plan that will take Federal dollars

and invest them wisely. That is an Empowerment Zone.

So I support the \$150 million that we should be putting into this legislation to be able to support the many applicants around this Nation, rural and urban alike, who have sought the opportunity to invest in their own neighborhoods. It is a tragedy that we would deny them that. It is a tragedy that we do not explain to the people of America what the Empowerment Zone means and what these Community Development Block Grants means.

Let me tell my colleagues what they mean in Houston, Texas. They mean a new police station. They mean a new library. They mean a new inner city park where there were no parks. They mean a new health clinic. Because the City of Houston can take these block grants and embrace them and utilize them for the needs of the community. They need help in historic zones and help in the areas that they are claiming to be a historic zone.

They can also be used to help people suffering from AIDS in a variety of support services. They can be a multi-service center where my elderly come every day in a safe and secure and air-conditioned location. And I tell my colleagues that if they live in Houston, Texas, in August, if they live there in July, if they live there in September, they need air-conditioning. This is what Empowerment Zone monies mean, and this is what CDBG monies mean.

As I said on this floor before, in the most prosperous of times, when we have the most prosperous time in our history, the question will be asked of us, what have we done for those who are voiceless, who cannot speak for themselves. I would imagine that the working men and women and that the children that are part of these working families look to our local governments and to our county governments to provide these kind of resources for them.

I joined a group of youngsters at a library the other day. I could not have been more excited about their excitement about being in a library funded by CDBG monies.

□ 2130

I want to applaud the gentlewoman from Florida for adding the \$150 million for an empowerment zone. There is a whole long line, Mr. Chairman, of applications for the empowerment zone, and for CDBG moneys because there is more than a long line. As was quoted by a staff member, I think the good staff member of the gentlewoman from Florida (Mrs. MEEK), there is not a rural county or hamlet or village or city in America that has not received community development block grant dollars. What a tragedy to be able to tell them in this most prosperous of times that we will deny them the right kind of proper investment of their tax

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 Pasoans since receiving this designation in 1999.

Unfortunately, my community has continued to suffer because Congress has failed over 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 to raise the overall quality of life. Each of the first round empowerment zones received \$100 million in Federal grant funding over the 10-year span of the Empowerment Zone designation along with various other tax incentives to attract and spur economic growth. 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 \$4 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. Both President 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 of 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 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 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 read 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 LISC and the Enterprise Foundation for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (Public Law 103-120), as in effect immediately before June 12, 1997, with not less than \$4,000,000 of the funding to be used in rural areas, including tribal areas, and of which \$3,450,000 shall be for capacity building activities administered by Habitat for Humanity International.

Of the amount made available under this heading, the Secretary of Housing and Urban Development may use up to \$55,000,000 for supportive services for public housing resi-

dents, as authorized by section 34 of the United States Housing Act of 1937, as amended, and for grants for service coordinators and congregate services for the elderly and disabled residents of public and assisted housing: *Provided*, That amounts made available for congregate services and service coordinators for the elderly and disabled under this heading and in prior fiscal years may be used by grantees to reimburse themselves for costs incurred in connection with providing service coordinators previously advanced by grantees out of other funds due to delays in the granting by or receipt of funds from the Secretary, and the funds so made available to grantees for congregate services or service coordinators under this heading or in prior years shall be considered as expended by the grantees upon such reimbursement. The Secretary shall not condition the availability of funding made available under this heading or in prior years for congregate services or service coordinators upon any grantee's obligation or expenditure of any prior funding.

Of the amount made available under this heading, \$10,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives: *Provided*, that any unobligated balances of amounts set aside for neighborhood initiatives in fiscal years 1998, 1999, and 2000 may be utilized for any of the foregoing purposes.

Of the amount made available under this heading, notwithstanding any other provision of law, \$45,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: *Provided further*, That of the amount provided under this paragraph, \$3,750,000 shall be set aside and made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Of the amount made available under this heading, \$10,000,000 shall be available for grants for the Economic Development Initiative (EDI), to finance a variety of economic development efforts.

For the cost of guaranteed loans, \$28,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$1,217,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974: *Provided further*, That in addition, for administrative expenses to carry out the guaranteed loan program, \$1,000,000, which shall be transferred to and merged with the appropriation for "Salaries and expenses".

## BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, \$20,000,000, to remain available until expended: *Provided*, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

HOME INVESTMENT PARTNERSHIPS PROGRAM  
(INCLUDING TRANSFER OF FUNDS)

For the HOME investment partnerships program, 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 Counseling 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 for the development and maintenance of information technology systems.

HOMELESS ASSISTANCE GRANTS  
(INCLUDING TRANSFER OF FUNDS)

For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act, as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; and the shelter plus care program (as authorized under subtitle F of title IV of such Act), \$1,020,000,000, to remain available until expended: *Provided*, That not less than 30 percent of these funds shall be used for permanent housing, and all funding for services must be matched by 25 percent in funding by each grantee: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That up to 1.5 percent of the funds appropriated under this heading is transferred to the Working Capital Fund to be used for technical assistance and management information systems.

HOUSING PROGRAMS  
HOUSING FOR SPECIAL POPULATIONS  
(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, \$911,000,000, to remain available until expended: *Provided*, That \$710,000,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for the elderly under such section 202(c)(2), and for supportive services

associated with the housing, of which amount \$50,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects and of which amount \$50,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects under such section to assisted living or related use: *Provided further*, That of the amount under this heading, \$201,000,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance, for amendments to contracts for project rental assistance, and supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act: *Provided further*, That \$1,000,000, to be divided evenly between the appropriations for the section 202 and section 811 programs, shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That the Secretary shall designate at least 25 percent but no more than 50 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is 5 years in duration: *Provided further*, That the Secretary may waive any provision of such section 202 and such section 811 (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate, or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND  
(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2000, and any collections made during fiscal year 2001, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

FEDERAL HOUSING ADMINISTRATION  
FHA—MUTUAL MORTGAGE INSURANCE PROGRAM  
ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2001, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of \$160,000,000,000.

During fiscal year 2001, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$100,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, \$330,888,000, of which not to exceed \$324,866,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed \$4,022,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative

contract expenses, \$160,000,000, of which \$96,500,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That to the extent guaranteed loan commitments exceed \$65,500,000,000 on or before April 1, 2001 an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$16,000,000.

FHA—GENERAL AND SPECIAL RISK PROGRAM  
ACCOUNT

## (INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of loan guarantee modifications (as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended), \$101,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to \$21,000,000,000: *Provided further*, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(1), 238, and 519(a) of the National Housing Act, shall not exceed \$50,000,000; of which not to exceed \$30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed \$20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, \$211,455,000, of which \$193,134,000, shall be transferred to the appropriation for "Salaries and expenses"; and of which \$18,321,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, \$144,000,000, of which \$33,500,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That to the extent guaranteed loan commitments exceed \$8,426,000,000 on or before April 1, 2001, an additional \$19,800,000 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments over \$8,426,000,000 (including a pro rata amount for any increment below \$1,000,000), but in no case shall funds made available by this proviso exceed \$14,400,000.

GOVERNMENT NATIONAL MORTGAGE  
ASSOCIATION  
GUARANTEES OF MORTGAGE-BACKED SECURITIES  
LOAN GUARANTEE PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$200,000,000,000, to remain available until September 30, 2002.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, \$9,383,000 to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed \$9,383,000 shall be transferred to the appropriation for "Salaries and expenses".

POLICY DEVELOPMENT AND RESEARCH  
RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$40,000,000, to remain available until September 30, 2002, of which \$10,000,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative.

FAIR HOUSING AND EQUAL OPPORTUNITY  
FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, \$44,000,000, to remain available until September 30, 2002, of which \$22,000,000 shall be to carry out activities pursuant to such section 561: *Provided*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL  
LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992, \$80,000,000 to remain available until expended, of which \$1,000,000 shall be for CLEARCorps and \$10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related environmental diseases and hazards.

MANAGEMENT AND ADMINISTRATION  
SALARIES AND EXPENSES  
(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed \$7,000 for official reception and representation expenses, \$1,004,380,000, of which \$518,000,000 shall be provided from the various funds of the Federal Housing Administration, \$9,383,000 shall be provided from funds of the Government National Mortgage Association, \$1,000,000 shall be provided from

the "Community development block grants program" account, \$150,000 shall be provided by transfer from the "Title VI Indian federal guarantees program" account, and \$200,000 shall be provided by transfer from the "Indian housing loan guarantee fund program" account: *Provided*, That the Secretary is prohibited from using any funds under this heading or any other heading in this Act for employing more than 77 schedule C and 20 noncareer Senior Executive Service employees: *Provided further*, That the community builder program shall be terminated in its entirety by October 1, 2000.

Mr. WALSH (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 46, line 2, 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 New York?

There was no objection.

AMENDMENT OFFERED BY MR. WALSH

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

The Clerk read as follows:

Amendment offered by Mr. WALSH:

Page 45, line 25, strike "*Provided*" and all that follows through page 46, line 2, and insert the following:

*Provided further*, That the community builder fellow program shall be terminated in its entirety by September 1, 2000: *Provided further*, That, hereafter, no individual may be employed in a position of the Department of Housing and Urban Development that is designated as "community builder" unless such individual is appointed to such position subject to the provisions of title 5, United States Code, governing appointments in the competitive service: *Provided further*, That any individual employed in such a position shall be considered to be an employee for purposes of the subchapter III of chapter 73 of title 5, United States Code (commonly known as the Hatch Act).

Mr. WALSH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. WALSH. Mr. Chairman, this is a technical and clarifying amendment regarding the termination of the Community Builder Fellow program. This amendment simply clarifies language that was included in the bill and in the fiscal year 2000 appropriation that terminates the Community Builder Fellow program. In addition to clarifying language, language is added requiring that any former community builder fellows at HUD be subject to the provisions of the Office of Personnel Management and the Hatch Act. I believe the other side has reviewed this amendment with us, and I believe they are in agreement and that they are prepared to accept the amendment.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the last word. Mr. Chairman, I accept the gentleman's amendment. I appreciate the hard work

that he has put into considering our concerns for the language as it was drafted in the bill. I appreciate the fact that we have reached a satisfactory compromise on this issue. I again compliment the gentleman on his good work.

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

The amendment was agreed to.

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

OFFICE OF INSPECTOR GENERAL  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$83,000,000, of which \$22,343,000 shall be provided from the various funds of the Federal Housing Administration and \$10,000,000 shall be provided from the amount earmarked for Operation Safe Home in the appropriation for "Drug elimination grants for low-income housing": *Provided*, That the Inspector General shall have independent authority over all personnel issues within the Office of Inspector General.

OFFICE OF FEDERAL HOUSING ENTERPRISE  
OVERSIGHT

SALARIES AND EXPENSES  
(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, including not to exceed \$500 for official reception and representation expenses, \$22,000,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: *Provided*, That not to exceed such amount shall be available from the General Fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: *Provided further*, That the General Fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the General Fund estimated at not more than \$0.

AMENDMENT NO. 22 OFFERED BY MR. HINCHEY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. HINCHEY:

Page 46, line 21, after the dollar amount, insert the following: "(increased by \$4,770,000)".

Mr. HINCHEY. Mr. Chairman, this is an amendment that would add \$4.77 million to the budget of the Office of Federal Housing Enterprise Oversight.

OFHEO, as it is known, is an independent regulatory agency within the Department of Housing and Urban Development. It was created by Congress in 1992 to oversee the safety and soundness of Fannie Mae and Freddie Mac, the two largest government sponsored enterprises.

Fannie Mae and Freddie Mac are private companies that were chartered by Congress to encourage homeownership by creating a secondary market for

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 homeownership rates are at all-time 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.

□ 2145

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 semiannual assessments on the GSEs, subject to Congressional approval. No offset is necessary to approve this increase.

Fannie Mae and Freddie Mac are not opposing this amendment. 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. HINCHAY).

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 action, I suspect 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 by April of 1994. 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 just one of the reasons 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 their mission is compromised because they must justify their expenditures to this committee; however, until the law is changed, refueling OFHEO's budget is our concern.

Let me describe the review this committee conducts on this account. First, the fact that discretionary funds are not needed to pay for the account 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 comparisons between their 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. Not only is this accusation insulting, but it borders on slander.

I certainly have not been approached by Fannie Mae or Freddie Mac about OFHEO's budget, and I am fairly certain that no one on the subcommittee was approached. In fact, those entities make it a habit of never discussing OFHEO's budget with me, with other Members or with our staff.

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 a timely 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 how this matter has been debated, 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 Subcommittee 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, Freddy Mac, 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 linchpin 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 comments on the initial regulations 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; we have traveled together. I 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, and I rise to speak in favor of my colleague, the gentleman from New York (Mr. HINCHEY), for his thoughtful amendment. He is a former member of the Committee on Banking and Financial Services, and he has worked with OFHEO for over 7 years here in this body.

I want to offer my support for providing the Office of Federal Housing Enterprise Oversight, OFHEO, with the full resources it needs to comprehensively regulate Fannie Mae and Freddy Mac and to regulate their safety and soundness. As my colleagues are aware, OFHEO funding comes from assessments on Fannie Mae and Freddy Mac, not from the taxpayers. However, approval for OFHEO assessments is tied to the appropriations bills.

The GSEs play a critical role in our Nation's housing finance system, increasing the availability of home mortgage funds and increasing homeownership.

In recent months, the gentleman from Louisiana (Mr. BAKER) of the Committee on Banking and Financial Services, the Subcommittee on Capital

Markets, Securities and Government Sponsored Enterprises has led a series of hearings and oversight on the housing GSEs.

During the course of our hearings, the subcommittee has come to two conclusions that I think are overwhelmingly supported by both sides of the aisle. First, with an almost 70 percent homeownership rate, our Nation's housing finance system is the most successful in the world. Secondly, the housing GSE regulators should have the resources that they need to do the job to oversee safety and soundness.

The Hinchey amendment makes an increase of \$4.8 million to \$26.8 in the amount of funding that OFHEO can assess the GSEs. Regulations of GSEs require highly technical analysis and this increase will give the agency the ability to hire and retain the high-level staff required to do its job.

I know that no matter how my colleagues feel about GSEs, we all want to ensure that the enterprises are adequately supervised. So I really urge the support of the Hinchey amendment and appeal to my good colleague on the other side of the aisle, the gentleman from the great City and State of New York (Mr. WALSH), to accept this amendment.

Again, it does not in any way come out of resources of the taxpayers. It is an assessment on the GSEs to pay for their own oversight for safety and soundness.

Mr. FRELINGHUYSEN. 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 whopping 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.

□ 2200

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 paid by Fannie Mae and Freddie Mac, 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 the two companies in order 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 standings. 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 because 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 my 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 extension of capital risk. But I believe we are getting the cart in front of 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 structure of 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 gentleman from New York (Mrs. MALONEY), the gentleman from Texas (Mr. BENTSEN) 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 we have 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. HINCHEY).

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

Mr. HINCHEY. 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. HINCHEY) 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 partnerships, 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 participants cannot be ignored.

I feel it is my responsibility as an elected official to stand up for my constituents and defend their needs. I believe it is the job of Congress to represent 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 unjust funding 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 an 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.

In closing, Mr. Chairman, I like the scripture, "To whom God has given much, much is expected." The people are expecting us to do our job and represent all of the people, not just the wealthy; the elderly, the old people, the people in need, and I am hoping that there will be some leadership from the other side on what is right for the people.

Mr. WALSH. Mr. Chairman, as we know of no remaining amendments to title II, I ask unanimous consent that the remainder of title II 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 New York?

There was no objection.

The text of the bill from page 47, line 6, through page 52, line 6, is as follows:

ADMINISTRATIVE PROVISIONS  
FINANCING ADJUSTMENT FACTORS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100-628; 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

FAIR HOUSING AND FREE SPEECH

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2001 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANTS

SEC. 203. (a) ELIGIBILITY.—Notwithstanding section 854(c)(1)(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—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2001 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2001 do not have the number of cases of acquired immunodeficiency syndrome required under such clause.

(b) AMOUNT.—The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 845(c)(1)(A) in fiscal year 2001, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

(c) ENVIRONMENTAL REVIEW.—Section 856 of the Act is amended by adding the following new subsection at the end:

“(h) ENVIRONMENTAL REVIEW.—For purposes of environmental review, a grant under this subtitle shall be treated as assistance for a special project that is subject to section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, and shall be subject to the regulations issued by the Secretary to implement such section.”.

ENHANCED DISPOSITION AUTHORITY

SEC. 204. Section 204 of the Departments of Veterans Affairs and Housing and Urban De-

velopment, and Independent Agencies Appropriations Act, 1997, is amended by striking “and 2000” and inserting “2000, and thereafter”.

MAXIMUM PAYMENT STANDARD FOR ENHANCED  
VOUCHERS

SEC. 205. Section 8(t)(1)(B) of the United States Housing Act of 1937 is amended by inserting “and any other reasonable limit prescribed by the Secretary” immediately before the semicolon.

VOUCHERS FOR DIFFICULT UTILIZATION AREAS

SEC. 206. Section 8(o)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(1)) is amended—

(1) in subparagraph (B), by striking “subparagraph (D)” and inserting “subparagraphs (D) and (E)”;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following new subparagraph:

“(E) DIFFICULT UTILIZATION AREAS.—

“(i) CRITERIA.—The Secretary shall establish criteria setting forth requirements for treatment of areas as difficult utilization areas with respect to the voucher program under this subsection, which may include criteria specifying a low vacancy rate for rental housing, a particular rate of inflation in rental housing costs, failure to lease units by more than 30 percent of families issued vouchers having an applicable payment standard of 110 percent of the fair market rental or higher, and any other criteria the Secretary considers appropriate.

“(ii) USE OF ASSISTANCE.—Any public housing agency that serves a difficult utilization area may—

“(I) increase the payment standard applicable to all or part of such area for any size of dwelling unit to not more than 150 percent of the fair market rental established under subsection (c) for the same size of dwelling unit in the same market area; and

“(II) use amounts provided for assistance under this section to make payments or provide services to assist families issued vouchers under this subsection to lease suitable housing, except that the cost of any such payments or services for a family may not exceed the agency's average cost per family of 6 months of monthly assistance payments.”.

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

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION  
SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, \$28,000,000, to remain available until expended.

CHEMICAL SAFETY AND HAZARD INVESTIGATION  
BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, including hire of passenger vehicles, and for services authorized by 5

U.S.C. 3109, but at rates for individuals not to exceed the per diem 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 \$3,000,000 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 shall 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 cost of direct loans, and up to \$1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided*, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$53,000,000: *Provided further*, That administrative costs of the Technical Assistance Program under section 108, 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 to recognize non-Federal officials' 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 of such funds as may be necessary to carry out the orderly termination of the programs, activities, and initiatives

under the National Community Service Act of 1990 (Public Law 103-82) and the Corporation: *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:

Restore funding for Corporation for National and Community Service.

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, \$533,700,000.

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.

□ 2215

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 volunteerism 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 or to offer to give on one's own initiative.

What we are striking and hopefully refunding tonight is these public-private partnerships that are transforming our communities and successfully challenging our young people to make something of themselves.

As communities and as a Nation, we are stronger and healthier because of

these volunteers. They tackle problems like illiteracy in America, crime in America, poverty in America, while instilling a commitment to public service for Americans of all ages in every community throughout this Nation.

Our society works precisely because lots of folks out there are helping other folks in many different ways. In fact, we have a social contract to help each other. In this country, we have young people in need of basic reading and writing skills. We have teenagers in need of mentors and role models. We have homebound seniors in need of food and a little companionship. We have families in need of homes. We have communities in need of disaster assistance.

Solutions to these problems can best be found when individuals, families, and communities come together in service to their neighbors and to their fellow citizens.

We can make a difference, but volunteers are critical to finding these solutions and touching these lives. That is where the Corporation for National Service comes in. AmeriCorps members and service volunteers fill these needs by providing essential people power at the local level.

In my own State of California, we have more than 145,000 people of all ages and backgrounds working in 289 national service projects. Nationwide, we have more than 62,000 Americans serving in AmeriCorps from 1998 to 1999, bringing the total number of current and former members to more than 100,000 Americans who have served in AmeriCorps.

They have taught, tutored, and mentored more than 2.6 million children, served 564,000 at-risk youth in after-school programs, operated 40,500 safety patrols, rehabilitated 25,180 homes, aided more than 2.4 million homeless individuals, and immunized about 500,000 people. They have accomplished this all while generating \$1.66 in benefits for each dollar that is spent.

Most people do not know how AmeriCorps operates and assume that some top-down Washington bureaucracy runs the program and deploys members around the country. The opposite is exactly true. AmeriCorps is one of the 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 nonprofits in our communities. The nonprofits 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 who volunteers regularly or who was involved as a youth in organizations using volunteers. AmeriCorps members generate an average of 12 additional volunteers around the Nation.

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 devolved 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 old cars, getting 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 those.

Talk about cost-effective, in terms of just 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. DICKS. 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. If the gentleman will 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 credible things in our public lands.

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 areas.

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 2 additional minutes.)

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, she was head of the New York corporation, the Americorps Corporation. I believe the gentleman was from Buffalo. They had been taking about what they had been able to do in terms of AmeriCorps volunteers in the classrooms to help with these difficult schools, to help with students and to reclaim these students' lives because of the attention these AmeriCorps volunteers were able to provide, two young students who were turning their lives around.

She wrote a rather remarkable book about the Freedom Riders and what happened in Long Beach, and she is

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 member 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 make 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.

Secondly, I am 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, de-

spite a 417 to 8 vote by this House on H.R. 1776 to increase this program's authorization to \$4.9 billion.

□ 2230

CDBG is the largest source of Federal community development assistance to State 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 on a day-to-day basis 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. This is 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. That is working in South Bend and branching out to 12 States. 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. Does 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 totals for fiscal year 2001 on June 20, 2000, 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 not, 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 1978, as amended, \$5,000,000.

COURT OF APPEALS FOR VETERANS CLAIMS  
SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims, as authorized by 38 U.S.C. 7251-7298, \$12,500,000, of which \$895,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102-229.

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 will take up 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 associated with 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  
CEMETERIAL EXPENSES, ARMY  
SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed \$1,000 for official reception and representation expenses, \$17,949,000, to remain available until expended.

DEPARTMENT OF HEALTH AND HUMAN  
SERVICES

NATIONAL INSTITUTES OF HEALTH  
NATIONAL INSTITUTE OF ENVIRONMENTAL  
HEALTH SCIENCES

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, \$60,000,000, to remain available until September 30, 2002.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE  
REGISTRY

TOXIC SUBSTANCES AND ENVIRONMENTAL  
PUBLIC HEALTH

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), as amended, section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended, and section 3019 of the Solid Waste Disposal Act, as amended, \$70,000,000, to be derived from the Hazardous Substance Superfund Trust Fund pursuant to section 517(a) of SARA (26 U.S.C. 9507), to remain available until September 30, 2002: *Provided*, That not withstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: *Provided further*, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during the fiscal years 2001 and 2002, and existing profiles may be updated as necessary.

ENVIRONMENTAL PROTECTION AGENCY  
SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other oper-

ating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project, \$650,000,000, which shall 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 Appropriation 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 assist 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 Director 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 conferees direct 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:

[W]ithin the past year, there has been significant amount of interest from Congressman 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 in part on the budget forecast. The report states, "the opening of additional CBOCs remains subject to the availability of funds and other significant factors."

The Atlanta office of the Department of Veterans Affairs has already approved the facility and I am pleased to announce to Chairman WALSH, and the Members of the House of Representatives, that in the next several weeks an outpatient clinic will open in the Seventh Congressional District in Georgia.

Given the large number of veterans in the western and northern parts of the 7th District, I pledge to continue working with the Chairman, and with the Department, to build additional outpatient clinics in the 7th District; including near the I-20 corridor to the west of Atlanta, and northwest of Atlanta along the I-75 corridor.

These clinics are a win-win; they save money, and they are a tremendous benefit to our veterans.

Mr. WALSH. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. FOSSELLA) having assumed the chair,

Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 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 amendment 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. KAPTUR 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 read. Each additional amendment shall be debatable for the time specified equally divided and controlled by the proponent and an opponent; shall not be subject to amendment; and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

Mr. Speaker, this bipartisan agreement was joined with the proviso that we complete our work on the bill by 9:00 p.m. tomorrow evening.

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

There was no objection.

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.

□ 2345

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.