The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mrs. Biggert).

**DESIGNATION OF THE SPEAKER PRO TEMPORE**

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,


I hereby appoint the Honorable Judy Biggert to act as Speaker pro tempore on this day.

J. Dennis Hastert,
Speaker of the House of Representatives.

**PRAYER**

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, may the prayers of people across this Nation enfold this Chamber with Your justice. May right judgement be brought to bear on all issues which affect Your people.

Floods, fire and volcanoes seize our attention. Negotiating war rooms, security chambers, prisons and waiting rooms cannot contain the anxiety of Your people.

Yet You, O Lord, endure like the Sun and the Moon from age to age. Your presence is like soft rain on the meadow, like raindrops on the Earth.

In our own days, justice shall flourish and peace till the Moon fails if You, Lord, rule from sea to sea.

Once again save the children when they cry and the needy who are helpless. Have pity on the weak for You alone have the power to save the lives of all.


**THE JOURNAL**

The SPEAKER pro tempore. The Chair has examined the Journal of the last day’s proceedings and announces to the House the following.

Pursuant to clause 1, rule I, the Journal stands approved.

**PLEDGE OF ALLEGIANCE**

The SPEAKER pro tempore. Will the gentleman from Illinois (Mr. Shimkus) come forward and lead the House in the Pledge of Allegiance.

Mr. Shimkus led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

**ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE**

The SPEAKER pro tempore. The Chair will entertain 1-minutes at the end of the legislative day.

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT**

**AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002**

In title II, in the item relating to "COMMUNITY PLANNING AND DEVELOPMENT—HOME INVESTMENT PARTNERSHIPS ACT", strike “That the total amount provided under this heading, $200,000,000” and all that follows through “as amended: Provided further.”

**AMENDMENT OFFERED BY MR. FRANK**

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

The Clerk read as follows:

Amendment offered by Mr. Frank:

In title II, in the item relating to “COMMUNITY PLANNING AND DEVELOPMENT—HOME INVESTMENT PARTNERSHIPS ACT”, strike “That the total amount provided under this heading, $200,000,000” and all that follows through “as amended: Provided further.”

Mr. Frank. Mr. Chairman, one of the popular and successful innovations in Federal aid to housing in recent years dating back to when the gentleman from Texas (Mr. Gonzalez) was the Chair of the committee is the HOME program. The HOME program is one of the few programs now existing, perhaps the only one, which allows municipalities that feel the need to do housing construction. Many of us feel that we have a terrible problem in this country because of the increased price of housing, particularly in areas of housing shortage. While we are strong supporters of the section 8 voucher program, there is a large consensus, which you saw in the bipartisan witnesses before our hearings, that the voucher program alone is not enough, that it does not deal with the situation increasingly common in many of our areas, metropolitan areas and others, where economic pressures have driven housing prices so high and where production is so difficult for a variety of reasons.

The HOME program is the premier general production program. It is strongly supported by elected officials. The President proposed to take $200 million of the HOME funds and restrict them, restrict them in a way that they have not previously been restricted.

The HOME program has been a genuine block grant with complete flexibility. One of the things you can do under the HOME program if the municipality or the consortium of municipalities wants to is to do a homeownership program. But it is not mandatory. This is part of a flexible approach. The President said let’s take $200 million of this plan and make it mandatory that they use it for that and only that. Now, the committee increased the funding, but it increased the funding by picking up this restriction.

What my amendment does is very simple. It has no offset because it needs no offset. It does not change the dollar amount of the bill, of the HOME program or of anything else. It simply removes the HOME program as put forward in the bill and restricts the use of $200 million which restriction would be imposed over the objection of the mayors. It is a restriction which takes a first unfortunate step towards converting a genuine flexible, successful, local-oriented block grant program into a partial categorical program. I stress again that the category which is earmarked in this bill at the President’s request is an entirely permissible one. We are not preventing those municipalities that want to do it from doing this. We are saying that if the municipality wants to do it, it should be able to do it, but if it does not wish to do it, it should not have to do it. That is the critical point here.

I want to stress again that this is important because this bill, which fails...