HOUSE OF REPRESENTATIVES—*Wednesday, August 5, 1992*

The House met at 10 a.m.

The Venerable Frederick C. Byrd, Archdeacon, Episcopal Diocese of Upper South Carolina, Columbia, SC, offered the following prayer:

Almighty God, gracious and loving Father, we humbly stand in Your presence at the beginning of another day.

You have given us this good land for our heritage. You have made us stewards in this land of the free.

May we never take this freedom for granted. May we accept the responsibility to preserve our rich resources and to seek justice and peace for all our people in this land and beyond our borders.

Bless the Members of this House in particular that in their many deliberations and decisions they may reflect what is good and noble, worthy of Your holy name, and worthy of our great America.

In our Lord's name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

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

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from South Carolina [Mr. DERRICK] come forward and lead the House in the Pledge of Allegiance.

Mr. DERRICK 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.

THE VENERABLE FREDERICK C. BYRD, ARCHDEACON

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, I am delighted to welcome our guest chaplain and my good friend, the Reverend Frederick C. Byrd.

The Venerable Byrd is a native of Ridge Spring, SC. He was educated in the Ridge Spring public schools and graduated from Clemson University. He holds a master's degree in divinity from Virginia Seminary in nearby Alexandria.

For more than 20 years, the Venerable Byrd has served in the affairs of the Episcopal Diocese of Upper South Carolina. First, he ministered as the vicar of St. Luke's Church in Newberry for 11 years.

Now, the Venerable Byrd officiates as the diocese's archdeacon in Columbia. In this capacity, he organizes and develops programs for the diocese's more than 26,000 baptized members.

The Venerable Byrd is supported by a loving family that includes, his mother, Addie Byrd; his brother, Joseph Byrd; and 30 "godchildren." One of them, Mr. Judd Warren is in the House Chamber today.

The archdeacon has worked hard to promote education in South Carolina. He is also supportive of the YMCA, the Boy Scouts, and the Girl Scouts.

Mr. Speaker, it is my pleasure to welcome the Venerable Byrd to the U.S. House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate insists upon its amendment to the amendment of the House to the amendment of the Senate to the bill (H.R. 429) "An act to amend certain Federal reclamation laws to improve enforcement of acreage limitations, and for other purposes" disagreed to by the House and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON, Mr. BUMPERS, Mr. FORD, Mr. BRADLEY, Mr. BINGAMAN, Mr. WIRTH, Mr. FOWLER, Mr. WALLOP, Mr. HATFIELD, Mr. DOMENICI, Mr. BURNS, Mr. CRAIG, and Mr. SEYMOUR, to be the conferees on the part of the Senate.

DEMOCRATIC LEADERSHIP EXHORTED TO SCHEDULE FREEDOM OF CHOICE ACT

(Mr. GREEN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of New York. Mr. Speaker, last week the New York Times printed an op-ed piece concerning the Freedom of Choice Act by my friend Tanya Melich, executive director of the New York State Republican Family Committee. Ms. Melich writes:

The Freedom of Choice Act offers Congress an opportunity to resolve one of the most bitter issues of our time. By codifying the principles of the 1973 Roe v. Wade decision, the act would do through Federal statute what Roe did through judicial decision. It would return a woman's right to choose to end her pregnancy back to its status prior to the 1989 [Webster] decision, which the Supreme Court used to begin dismantling Roe.

The act would allow states to continue passing laws regulating minors' access to and Medicaid financing of abortions. It would not settle the continuing conflict over these issues. But by guaranteeing the right to an abortion, a woman's reproductive freedom would no longer be at the Court's mercy.

Ms. Melich closes her essay by throwing down the gauntlet to the Democratic leadership: Show the American public that, behind the Presidential campaign rhetoric, there is the will to act on this crucial legislation. I join her in calling on the Democratic leadership to schedule consideration of the Freedom of Choice Act in a fair and timely manner. American women demand and deserve no less.

BEST JOBS BILL IS TO BUY U.S. MADE GOODS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, the best jobs bill for America is to buy U.S. made goods. So I say, "Shoppers of America, become our trade ambassadors."

Now, we know potatoes have been in the news quite a lot lately. Last week I walked into my house back in Toledo, OH, and my mom was proudly standing in the middle of the kitchen, holding up this bag of Idaho potatoes. The America flag is emblazoned on the packaging which reads, "We support America," packed in Idaho, the Idaho Potato Packers Corp., Blackfoot, ID. Though Toledo and Blackfoot are 1,500 miles apart, my mom knew she helped an Idaho family by her purchase. She understood the connection.

Japan's trade deficit with the United States has also been in the news of late. It just keeps going up, $1 billion more over last year, and as that deficit rises so does unemployment in America, now nearly 8 percent, and in some districts like my own, way over that.

So help your laid off friends by buying U.S. made products, including potatoes, and cars, and clothing. It is good for America. It is good for jobs, and it might even help some elected officials learn how to spell.

MOBILE, ALABAMA'S POINT OF LIGHT

(Mr. CALLAHAN asked and was given permission to address the House

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for 1 minute and to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Speaker, I rise to join with President Bush and Vice President Quayle in honoring the Rape Crisis Center of Mobile, AL, as the daily "Point of Light" on August 4. The Vice President presented the award yesterday in Mobile.

The Rape Crisis Center, founded in 1977, employs two staff members and has 55 volunteers to counsel and provide support for rape victims and to educate the community about the critical issue of sexual assault. Roughly half the volunteers are survivors of rape, family members, or friends of rape victims.

The center's volunteers are required to undergo extensive training in counseling, medical, and legal procedures. At least one volunteer is on call 24 hours a day, 7 days a week, all year. The volunteer on call often accompanies the victim to the hospital, offering emotional support during the medical examination and treatment. The volunteer then follows up at least twice with each victim and her family, referring them to professional counseling and other resources, as well as providing moral support for the victim during the court process.

The center hosts a weekly support group, offers three public awareness seminars a month for law enforcement and medical personnel.

The Rape Crisis Center is truly deserving of this honor and of our gratitude for their generous service to others. Unfortunately, volunteers seldom receive commendations for their work, and it was the President's desire to institute a program to focus attention on those who give unselfishly of their time. The daily point of light is a wonderful instrument for recognition. I am extremely proud that my constituents were given this public tribute in respect.

□ 1010

RECOGNIZING THE SELECTION OF "A SAFE PLACE" AS A POINT OF LIGHT

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the President's Daily Point of Light Program recognizes individuals and organizations that contribute to our Nation and address pressing needs through volunteer service. I am very proud that recently, President Bush recognized "A Safe Place" in Waukegan, IL, as one of America's points of light.

Since 1980, A Safe Place has worked to end domestic violence by teaching effective, nonconfrontational family communication. Its volunteers provide battered women and children with a decent, safe place to live, opportunities for economic advancement, and a sense of well-being. Through its outstanding program of support and counseling, a safe place has helped many individuals overcome tragedy and build new lives.

Mr. Speaker, A Safe Place exemplifies America's volunteer spirit. I am privileged to represent a congressional district that includes such a fine organization and I am proud to salute its dedicated volunteers, who have distinguished themselves by reaching out to those in need.

EXPENSES OF SPECIAL PROSECUTOR WALSH

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Iran-Contra has reared its ugly head once again. This time it is not Poindexter, North, or Shultz; this time it is the special prosecutor, that is right, Lawrence Walsh.

Walsh charged the taxpayers $25,000 for breakfast in bed. Tell me, Mr. Speaker, what was he eating? Golden eggs?

It sure as hell was not Wheaties.

Mr. Speaker, Walsh also charged the taxpayers $40,000 for dinners. Who were his dinner guests every night? The Green Bay Packers?

Mr. Walsh and his chief deputy also charged the taxpayers $300,000 for living expenses. Tell me, Mr. Speaker, who was he rooming with, Baron Hilton?

Mr. Speaker, with investigators like that, I think Congress would be much better off hiring Michael Millken.

STILL NO SOLUTION TO OUR DEFICIT AFTER 55 DAYS

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, 55 days have passed since the defeat of the balanced budget amendment by the Democrats in this House.

In its stead, the Budget Committee chairman, Mr. PANETTA, promised, and I quote him: "I will bring to the floor an enforcement procedure to move us to a balanced budget with tough enforcement."

Fifty-five days is more than enough time to initiate a deficit solution. Yet the Democrat leaders, who spoke the loudest against the balanced budget amendment, have been silent since its defeat.

Where are your leaders now, you who voted not to balance the budget? Where is the vote on the plan you promised would solve the deficit, Mr. Committee Chairman?

I will tell you where.

Members who opposed the amendment currently sponsor legislation that would cost the taxpayer about an additional $137 billion. They are too busy making the deficit worse to take time to make it better.

Mr. Speaker, it is high time for accountability. The American people are going to be made aware that the Democrats who control the House of Representatives are the reason this Republican President is held hostage in his attempt to get the economy growing and in his efforts to balance the budget.

A NEW FOUNDATION FOR HEALTH CARE

(Mr. JOHNSTON of Florida asked and was given permission to address the House for 1 minute.)

Mr. JOHNSTON of Florida. Mr. Speaker, our existing health care system is fundamentally flawed. It produces soaring costs and fragments our communities. We must challenge ourselves to reconsider the underlying principles—economic, social, and moral—of our health care system.

We need to build a new foundation for health care, a durable foundation integrated in the fabric of our communities. If we are serious about cost containment, we must refocus our health care resources at a local level. We need to build community-based coalitions between patients, doctors, hospitals, and insurers to manage our health care and our health care costs.

America needs a new foundation for health care; America needs community-based health care reform.

FREEDOM OF CHOICE ACT: THE ONLY WAY

(Mr. JONES of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. JONES of Georgia. Mr. Speaker, the American people now have the freedom of reproductive choice and they want to keep it. The Freedom of Choice Act is the only way to assure that Americans will continue to have that right, free from the imposition of Government interference in this most personal and private decision.

The Freedom of Choice Act will allow States to impose regulations that are medically necessary to assure that abortions are performed safely, and it will allow States to prohibit abortions after viability, unless it is necessary to protect the mother's life or health.

Mr. Speaker, our well-intentioned, zealous colleagues who would impose their moral and religious beliefs on others are not respectful of the most basic American belief of individual responsibility. They do not understand that while most Americans do not con-

sider abortion to be an easy choice, they want the right to make that choice themselves, and not have it made by the Government.

LEGISLATION TO ELIMINATE PERKS OF EXECUTIVE BRANCH OFFICIALS

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROEMER. Mr. Speaker, yesterday I introduced legislation that would put an end to wasteful and irresponsible spending on the part of our senior executive officials. The American taxpayers have been forced to finance a variety of extravagances for administration officials, including lavish dining rooms, exclusive athletic facilities, chauffeur-driven luxury vehicles, and—the most egregious offense—flights on military aircraft for personal and political reasons. Abuse of these privileges extends to the highest members of the Bush administration—the President's chief of staff, Samuel Skinner, and his former chief of staff, John Sununu, have cost the taxpayers over $1.7 million in air travel which consisted of personal and political trips combined with official business.

My legislation would eliminate many of the perks that are currently enjoyed by high-ranking executive officials. The bill would place strict controls and reporting requirements on the use of Government aircraft, and it would severely limit the liberal and unnecessary use of chauffeurs, limousines, and other luxury vehicles. It would end Government subsidies for exclusive dining rooms, golf courses, and athletic facilities, and it would compel executive officials to pay a fee for their health care benefits. Lastly, the legislation would stem the growing number of senior executive positions by imposing a 5-percent cut on the number of schedule C and senior executive service appointees.

Mr. Speaker, my legislation would not only save Americans millions of wasted tax dollars, but it would bring integrity and a sense of priorities back to the people of Government. We are currently burdened with an enormous Federal deficit, woefully inadequate investments in education, health care, and technology, and lack of confidence in Government's ability to serve the Nation. If we are to restore the taxpayers' faith in our system of Government, we must start by eliminating these privileges to a privileged few.

I urge my colleagues to join me in supporting this legislation. If we stop this wasteful use of taxpayer money by our senior executive officials, we can start on the road to a more just and responsible government.

GRIDLOCK

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, and my colleagues, few people can remember a time when relations between the White House and the Congress have been as bad as they are at the present time.

And, we realize the Federal Government is in gridlock.

In a five-part series this week in the Washington Post we are reminded that our legislative scorecard thus far might read: The soaring Federal deficit—gridlock; violent crime—gridlock; health care reform—gridlock; campaign finance reform—gridlock, and revitalizing our Nation's schools—gridlock.

Congress blames the Bush administration. The executive branch blames the Congress.

President Bush and the Congress are sliding downward in the polls being taken nationwide.

This is my 18th year in Congress. I've never seen such gridlock—unwillingness by both sides to work together. Disputes in Washington often arise from principled differences over the issues.

But too often these disputes are eclipsed by more self-serving interests, including political gain.

I urge that the White House and we in Congress during the remaining few weeks of this 102d Congress work together to pass meaningful legislation for our people this year and in the future.

□ 1020

SUPPORT URGED FOR HOUSE CONCURRENT RESOLUTION 246 TO SAVE AMERICAN JOBS

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, fiddling like Nero, George Bush is negotiating a trade agreement that will send America's manufacturing jobs to Mexico while our families cry out for jobs and the economic chasm deepens.

Tomorrow, the House will have the opportunity to say no to exporting our good jobs and yes to selling our products abroad. Tomorrow, we will vote on a measure to level the playing field and give the most productive workers in the world—America's workers—a chance.

This measure declares that Congress will not agree to any trade agreement that allows the exploitation of our environmental, health, and worker safety laws as a means to export the jobs of American workers.

For far too long, unfair trade has been very costly to our Nation. A steel depression in my northwest Indiana district has cost more than 38,000 jobs. We must insist that any new agreements are fair to our workers, our families, and our Nation's future.

President Bush should make no mistake about it; we will not support a sellout of the middle class and the American dream.

INTRODUCTION OF THE VACCINE ACCESS AND REGISTRY ACT

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, it is unconscionable to me that so many American children are becoming sick and so many children are dying of diseases which can be easily prevented by vaccines.

In many neighborhoods which I represent in upstate New York, 40 percent of our 2-year-olds are behind on scheduled vaccinations. Babies are getting sick with whooping cough and meningitis at a rate of more than a case every week.

Why? One reason, documented recently by the children's defense fund, is the skyrocketing cost of children's vaccines. Physicians in New York and most other States, for example, must pay over $13 a dose for polio vaccine which could be purchased in bulk by States for as little as $2 a dose.

The high cost of vaccines is forcing some parents to choose between getting their babies vaccinated and putting food on the table.

I am introducing today the Vaccine Access and Registry Act. Under this bill every family in America could afford to have their children vaccinated. Under this bill, States will be able to purchase vaccines at a bulk rate, saving more than 75 percent of the retail price.

We save at least $10 in health care costs for every $1 spent for vaccines. With this legislation we can make critical vaccines available to every child in America at the lowest possible cost.

WE CANNOT AFFORD 4 MORE YEARS OF GEORGE BUSH

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. And now in the twilight of his Presidency, Mr. Speaker, George Bush would have us believe he is dedicated to creating American jobs. The people I represent in Illinois know better. They know that the Reagan-Bush trade policies have gutted the industrial Midwest. In Illinois we have lost 21 percent of our manufacturing jobs during the Reagan-Bush Presidency. The Reagan-Bush approach leaves American college graduates

hopelessly searching for good-paying jobs, and the Bush policies have destroyed the confidence of consumers and businessmen. Mr. Speaker, when our country needs an aggressive policy to keep and create good jobs, President Bush proposes a new Mexican trade agreement to grease the skids for more jobs to head south of the border.

The President and his Republican Party would like to blame Congress for these problems, but it is the classic Republican dogma of supply-side economics and economic elitism that has brought us this mess.

As a fellow told me last week in Illinois, "We just can't afford 4 more years of George Bush."

ONE BILL THE PRESIDENT CANNOT VETO

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I say to my colleagues, if you're not awake this morning, pick up the Washington Post and read the profile of President Bush's man for family planning. This is a real wakeup call to America because the gentleman the President has appointed and put in charge of family planning doesn't believe in family planning, doesn't even believe in the birth control pill that's been around since 1960. These kinds of zealots are the reason that they have imposed the gag rule, the reason that we've seen veto after veto, and the reason that we've seen more people having to resort to abortion, whether they wanted to or not, because safe, available, user-friendly family planning has not been made available in this country.

Mr. Speaker, the United States and Saudi Arabia were called by the World Council on Population the two nations that went backward on family planning in the 1980's, thanks to appointments like this. Well, thank goodness for Bill Clinton because he is one Bill that the President cannot veto, and we know he is going to be a lot more enlightened on this and appoint people who are in touch with the 20th century and not living in the 19th.

CHARACTER IS AN ISSUE

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Well, well, well, well, here we go again, Mr. Speaker, discussing politics in the well of the House, bashing our President and praising Gov. Bill Clinton. Let me tell the gentlewoman from Colorado something:

We all know the Gennifer Flowers story was true. I've heard the tapes, believe me, there is not a newsperson in the whole world who's heard the audio tapes or read the hard copy who believes Flowers was merely "a friendly acquaintance," Clinton's laughable term of endearment.

Gennifer Flowers will probably be in Playboy magazine in January for the inauguration issue, win or lose. According to the news, she has signed a $500,000 contract with Penthouse to be in the November election issue. How utterly weird. If this man Clinton is elected, my colleagues, your high school kids and junior high school kids will certainly have a supernegative role model in the White House, because of what his own senior guru Betsy Wright calls bimbo eruptions. Mr. Speaker and colleagues, character is an issue, maybe the key issue.

I hold here the draft dodger's December 3, 1969, letter to Col. Eugene Holmes, at that time commander of the University of Arkansas' ROTC.

President Bush's deputy campaign manager Mary Matalin is correct. Governor Clinton is a world no-class womanizer/adulterer, and has told bold-faced lies about it. And he is a classic draft dodger. I believe character is the most important issue in the race for the White House and as an issue will increase in intensity as a national point of focus.

Mary Matalin is certainly my hero in the Bush campaign, because she has the guts to tell the truth about this slick Governor who has raised taxes 128 times in Arkansas. The dominant media culture, Mr. Speaker, does not believe adultery counts. That is, of course, a Hollywood deeply held evil belief—the Hollywood left, that is. And the liberal left of course does not care about draft dodging at all. The liberal media dweebs just about all dogged it during the Korean and Vietnamese fighting. Just check out dominant media culture executives in their midforties to midfifties and ask their branch of service. You'll get a long stare and the rare exception proves the rule. They didn't go to Vietnam or NATO and, by the way, only 4 percent ever go to church. If the Bush-Quayle campaign people are going to shy away from taking on this critically important character issue, then I will carry the heavy water for them.

This disgraced draft dodger is not going to be elected Commander in Chief if this California Congressman has any way under the Sun to stop him.

Mr. Speaker, can any of my colleagues gainsay the facts?

Mr. Speaker, as I did last Thursday, July 30, I ask permission to put into this House's permanent historical record, Governor Clinton's whining and dishonorable letter to Col. Eugene Holmes admitting that he deceived that Army officer in order to cause a third, repeat a third, young-Arkansas man, repeat man, to replace Clinton in the draft quota for Hot Springs. The other young heroes stepped forward for the dodger in June 1968 and April 1969. Read it and weep, loyal Americans.

UNIVERSITY COLLEGE,
Oxford, England, December 3, 1969.

DEAR COL. HOLMES: I am sorry to be so long in writing. I know I promised to let you hear from me at least once a month, and from now on you will, but I have had to have some time to think about this first letter. Almost daily since my return to England I have thought about writing, about what I want to and ought to say.

First, I want to thank you, not just for saving me from the draft, but for being so kind and decent to me last summer, when I was as low as I have ever been. One thing which made the bond we struck in good faith somewhat palatable to me was my high regard for you personally. In retrospect, it seems that the admiration might not have been mutual had you known a little more about me, about my political beliefs and activities. At least you might have thought me more fit for the draft than for ROTC.

Let me try to explain. As you know, I worked for two years in a very minor position on the Senate Foreign Relations Committee. I did it for the experience and the salary but also for the opportunity, however small, of working every day against a war I opposed and despised with a depth of feeling I had reserved solely for racism in America before Vietnam. I did not take the matter lightly but studied it carefully, and there was a time when not many people had more information about Vietnam at hand than I did.

I have written and spoken and marched against the war. One of the national organizers of the Vietnam Moratorium is a close friend of mine. After I left Arkansas last summer, I went to Washington to work in the national headquarters of the Moratorium, then to England to organize the Americans here for demonstrations here Oct. 15 and Nov. 16.

Interlocked with the war is the draft issue, which I did not begin to consider separately until early 1968, for a law seminar at Georgetown. I wrote a paper on the legal arguments for and against allowing, within the Selective Service System, the classification of selective conscientious objection, for those opposed to participation in a particular war, not simply to "participation in war in any form." From my work I came to believe that the draft system itself is illegitimate. No government really rooted in limited, parliamentary democracy should have the power to make its citizens fight and kill and die in a war they may oppose, a war which even possibly may be wrong, a war which, in any case, does not involve immediately the peace and freedom of the nation. The draft was justified in World War II because the life of the people collectively was at stake. Individuals had to fight, if the nation was to survive, for the lives of their countrymen and their way of life. Vietnam is no such case. Nor was Korea, an example where, in my opinion, certain military action was justified but the draft was not, for the reasons stated above.

Because of my opposition of the draft and the war, I am in great sympathy with those who are not willing to fight, kill, and maybe die for their country (i.e., the particular policy of a particular government) right or wrong. Two of my friends at Oxford are conscientious objectors. I wrote a letter of rec-

ommendation for one of them to his Mississippi draft board, a letter which I am more proud of than anything else I wrote at Oxford last year. One of my roommates is a draft resister who is possibly under indictment and may never be able to go home again. He is one of the bravest, best men I know. His country needs men like him more than they know. That he is considered a criminal is an obscenity.

The decision not to be a resister and the related subsequent decisions were the most difficult of my life. I decided to accept the draft in spite of my beliefs for one reason: to maintain my political viability within the system. For years I have worked to prepare myself for a political life characterized by both practical political ability and concern for rapid social progress. It is a life I still feel compelled to try to lead. I do not think our system of government is by definition corrupt, however dangerous and inadequate it has been in recent years. (The society may be corrupt, but that is not the same thing, and if that is true we are all finished anyway.)

When the draft came, despite political convictions, I was having a hard time facing the prospect of fighting a war I had been fighting against, and that is why I contacted you. ROTC was the one way left in which I could possibly, but not positively, avoid both Vietnam and resistance. Going on with my education, even coming back to England, played no part in my decision to join ROTC. I am back here, and would have been at Arkansas Law School because there is nothing else I can do. In fact, I would like to have been able to take a year out perhaps to teach in a small college or work on some community action project and in the process to decide whether to attend law school or graduate school and how to put what I have learned to use.

But the particulars of my personal life are not nearly as important to me as the principles. After I signed the ROTC letter of intent I began to wonder whether the compromise I had made with myself was not more objectionable than the draft would have been, because I had no interest in the ROTC program in itself and all I seemed to have done was to protect myself from physical harm. Also, I began to think I had deceived you, not by lies—there were none—but by failing to tell you all the things I'm writing now. I doubt that I had the mental coherence to articulate them.

At that time, after we had made our agreement and you had sent my 1-A deferment to my draft board, the anguish and loss of self respect and self confidence really set in. I hardly slept for weeks and kept going by eating compulsively and reading until exhaustion brought sleep. Finally, on September 12, I stayed up all night writing a letter to the chairman of my draft board, saying basically what is in the preceding paragraph, thanking him for trying to help me in a case where he really couldn't and stating that I couldn't do the ROTC after all and would he please draft me as soon as possible. I never mailed the letter, but I did carry it on me every day until I got on the plane to return to England. I didn't mail the letter because I didn't see, in the end, how my going in the army and maybe going to Vietnam would achieve anything except a feeling that I had punished myself and gotten what I deserved. So I came back to England to try to make something of this second year of my Rhodes Scholarship.

And that is where I am now, writing to you because you have been good to me and have a right to know what I think and feel. I am writing too in the hope that my telling this one story will help you to understand more clearly how so many fine people have come to find themselves still loving their country but loathing the military, to which you and other good men have devoted years, lifetimes, of the best service you could give. To many of us, it is no longer clear what is service and what is disservice, or if it is clear, the conclusion is likely to be illegal.

Forgive the length of this letter. There was much to say. There is still a lot to be said, but it can wait. Please say hello to Col. Jones for me.

Merry Christmas.

Sincerely,

BILL CLINTON.

CRIMES OF OMISSION

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, the real point here is that around the Nation, the people of this Nation are afraid.

Our young people are afraid to go to school.

Our women are afraid to walk the streets.

And our senior citizens are afraid to leave their homes.

They are afraid of the extraordinary number of crimes that are being committed. They have lost their rights as citizens to move about freely and without fear.

But in Washington, what does our President, the recent convert to the credo of change, do?

He commits a crime of omission.

He blocks the omnibus crime bill designed to do what is right: Catch, convict, and can those who break this Nation's laws.

He blocks more policemen for our streets.

He blocks severe sentences for violent offenders.

He blocks tough boot camps for first-time offenders.

He blocks new measures to keep our children safe at school.

And yes, he kowtows to special interests by blocking a reasonable waiting period for the purchase of handguns.

Mr. Speaker, if we are to regain control of our neighborhoods, we need a President who will take control of the national agenda—a President who will move us forward rather than running in place.

We need a President who will fight back hard against crime, not aid and abet the criminals by standing in the way of positive change.

□ 1030

PROVIDING FOR CONSIDERATION OF H.R. 5334, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 537 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 537

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 5334) to amend and extend certain laws relating to housing and community development, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 8 of rule XXI are waived. General debate shall be confined to the bill and the amendments made in order by this resolution and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 5(a) of rule XXI are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed and only by the named proponent or a designee, shall be considered as read when offered, shall be debatable for 20 minutes 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 division of the question in the House or in the Committee of the Whole. All points of order against amendments printed in the report are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MURTHA). The gentlewoman from New York [Ms. SLAUGHTER] is recognized for 1 hour.

Ms. SLAUGHTER. Mr. Speaker, I yield the customary 30 minutes of debate time to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 537 is a modified open rule providing for the consideration of H.R. 5334, the Housing and Community Development Act of 1992.

The rule waives points of order against consideration of the bill under clause 8 of rule XXI, which requires a Congressional Budget Office estimate to be included in any measure providing for changes in direct spending or receipts.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance, and Urban Affairs.

Further, the rule makes in order the Banking, Finance, and Urban Affairs Committee amendment in the nature of a substitute now printed in the bill as an original bill for the purposes of amendment. Points of order under clause 5(a) of rule XXI, which prohibits appropriations in a legislative bill, are waived against the substitute.

No amendments to the substitute are to be in order except those printed in the report of the Committee on Rules. The amendments are each debatable for 20 minutes and are not subject to amendment nor to a demand for a division of the question. All points of order are waived against the amendments in the report.

The amendment to be offered by Chairman GONZALEZ is an en bloc amendment made up of 14 separate amendments which have been accepted by the bipartisan leadership of the Committee on Banking, Finance, and Urban Affairs. The amendment to be offered by Representative TORRES would require Truth in Lending disclosures for mortgage refinancing.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 5334, the bill for which the Rules Committee has recommended this rule, reauthorizes much needed programs of the Department of Housing and Urban Development and the Farmer's Home Administration.

Despite the valiant leadership of the Banking Committee and Chairman GONZALEZ, housing opportunities for low-income families in this Nation remain scarce. Coupled with the decline in safe, affordable housing is the breakdown of community infrastructures. H.R. 5334 seeks to meet these needs through expanded housing resources and community development programs to help restore the vitality of our Nation's neighborhoods.

The HOPE for youth: Youthbuild Program created in H.R. 5334 combines these worthy goals. Youthbuild would employ the skills and energies of economically disadvantaged young adults to build permanent housing for the homeless and low income families. The results of the hands-on Youthbuild Program will be tangible: Affordable housing, and a trained, educated work force of young adults who are directly involved in helping their communities.

H.R. 5334 also authorizes $3.4 billion for the community development block grants, including funding for microenterprises to foster self-sufficiency and economic development initiatives in depressed urban and rural areas. Like the Youthbuild Program, this represents a vital investment in the future of our communities.

Mr. Speaker, I ask my colleagues to support the rule so that we may proceed with consideration of the merits of this most important legislation.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a very sad day for me for two reasons. First, this is the last housing bill that will come before us under the leadership of the distinguished ranking Republican member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio [Mr. WYLIE], who will retire at the end of this session. He has done a terrific job and will be sorely missed.

The second reason has to do with the fact that I served on the Committee on Banking, Finance and Urban Affairs for nearly a decade, and I have come to admire the chairman of that committee, the gentleman from Texas [Mr. GONZALEZ], for his fairness. That is why I am concerned about the fact that this is the first time since the gentleman from Texas [Mr. GONZALEZ] took over the chairmanship of the Subcommittee on Housing in 1981 that we are faced with a closed rule on a major housing bill. Granted, many of the amendments that were submitted to the Committee on Rules yesterday are included in the en bloc amendment that will be offered by the chairman of the committee.

One of those amendments, Mr. Speaker, would significantly improve the single-family property disposition homeless initiative, and I want to thank Chairman GONZALEZ for including that in his en bloc amendment.

Regrettably, Mr. Speaker, there are two important amendments that are neither contained in the en bloc amendment nor permitted under this rule. One amendment would cap the potential environmental liability of mortgage lenders and insured depository institutions that acquired contaminated property through such means as foreclosures or by operation of law but did not cause the underlying environmental problem.

The amendment is similar but actually a more tempered version of the bill introduced by our colleague, the gentleman from New York [Mr. LAFALCE], which currently has, Mr. Speaker, 271 cosponsors. Let me repeat that. There are 271 cosponsors on Mr. LAFALCE's bill, which is similar to the amendment which I hope to offer. A similar amendment passed the Senate twice with broad bipartisan support and with no opposition at all.

Mr. Speaker, this housing bill offers one of the few chances we will have this year to address what Federal Reserve Board Chairman Alan Greenspan has stated is a major contributor to the so-called credit crunch.

Most of my colleagues also agree that this problem needs to be addressed, yet legislation to limit liability has languished in this body for more than 2 years. Now is the time to act, Mr. Speaker, and I urge my colleagues to join with me in defeating the previous question so that my amendment can be considered as a part of H.R. 5334.

A second and equally important amendment not made in order by this rule is one offered by three very hardworking gentleman, the gentleman from Louisiana [Mr. BAKER], the gentleman from Georgia [Mr. BARNARD], and the gentleman from North Carolina [Mr. NEAL]. The three of them made a compelling case before the Committee on Rules yesterday on the need for their amendment to rectify a serious problem undermining the solvency of the Federal Home Loan Bank System. The problem has led to declining earnings, which threaten the ability of the bank system to provide mortgage lending to low-and moderate-income families. It is a problem that can no longer be ignored.

Mr. Speaker, this rule fails to make in order a number of other very relevant and germane amendments that would strengthen the bill and ensure strong bipartisan support. Two such amendments were offered by my hardworking colleague, the gentleman from California [Mr. RIGGS], a member of the Committee on Banking, Finance and Urban Affairs.

It has become increasingly apparent to me, Mr. Speaker, that my colleagues on the other side of this aisle may actually not want a housing bill. The administration has threatened to veto H.R. 5334 in its form, and the rule denies us the chance to offer amendments which can in fact get the President to sign this bill.

One way to achieve that strong bipartisan support is to vote down the previous question so that my amendment to cap the environmental liability of lending institutions can be contained as part of H.R. 5334.

Again, Mr. Speaker, I urge a "no" vote on the previous question.

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

□ 1040

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I thank the chairwoman for yielding.

Mr. Speaker, I support the rule and I will support the bill. I want to commend Chairman GONZALEZ and Vice Chairman WYLIE. It is his last year here in the Congress. The gentleman has been a great Member from Ohio, and we will surely miss him.

I want to thank these gentlemen for including two of my amendments in the en bloc amendments that this rule does cover. I also want to give thanks to Frank DeStefano of the committee who worked very hard with my staff and other Members around the Congress trying to develop some of their housing programs.

When I came to Congress I tried to do something about foreclosures. As sheriff, I had to evict an awful lot of steelworkers who ended up losing their homes, who had 25-year mortgages and had paid 15 or 20 years at 6 percent, and those interest rates were up to 22 percent and all of a sudden, bang, the banks—1 or 2 months of missed payments—foreclosed on their homes.

So when I came here I introduced the Emergency Home Ownership Counseling Assistance Act, and, with the help of the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE], much of that has been made law in the form of amendments into these housing bills.

Now the bank must give a 45-day notice. Now there is a monetary agency that monitors the banks so they give that 45-day notice. Now there are grants to nonprofit agencies who counsel families who have foreclosure problems.

The Washington Post said that they have been able to sit down, these nonprofit agencies, and intervene and help to save the family homes. It is also saving about $27,000 each time a mortgage is saved and wards off a foreclosure.

In addition to that we have created an 800 number for people who have trouble with their mortgage payments. All they have to do now is call that 800 number and there is an agency out there that will sit down with the homeowner, sit down with the bank or the lender, and work out a payment schedule, and it is working.

But what my amendment does today, and I thank the amendment for, is some of these housing counseling agencies have not really had training. Some of them are great, great counselors, but there are others just coming on board that need more knowledge about mortgages, more knowledge about tenancy laws, rental laws, more knowledge about our Federal requirements, and Federal laws and stipulations.

In that regard they have included in this particular bill an amendment that would require the certification of these housing counselors. HUD, the Department of Housing and Urban Development, must set up a program and hire an agency to provide this training program for housing counselors all over America.

Mr. Speaker, let me say this: This is a good piece of legislation. We have had some good housing bills, but if we are going to stop foreclosure, we are going to have to provide some assistance to the American people. I think we are doing it without a lot of money, we are doing it with a good program, not cash, and it makes sense.

The second amendment is a buy American amendment that deals with fraudulent labels. If you have a housing contract in America, and you have a buy American agreement, and you are supposed to buy those products in America, if you say they are made in America, make sure they are really made in America, or my language will have you handcuffed to a chain link fence and have you flogged. Madam Chairwoman, that is what this one does, and thank you for including my two amendments in the en bloc amendments.

Mr. DREIER of California. Mr. Speaker, the gentleman from Ohio [Mr. WYLIE] has served as ranking minority member of the Committee on Banking, Finance and Urban Affairs for a decade, and has done a terrific job. This is the last housing bill that will be considered under the leadership of the gentleman, and we will sorely miss him.

Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I thank my friend, the gentleman from California [Mr. DREIER], who served with distinction on the Committee on Banking, Finance and Urban Affairs before he went to the Committee on Rules, for yielding the time, and also for his gracious remarks concerning my service on the Committee on Banking, Finance and Urban Affairs and my work on housing legislation.

I want to thank the gentleman from Ohio [Mr. TRAFICANT] for acknowledging the work that we have done and for the fact that the gentleman does have two amendments in here which I think are very worthwhile and which I supported.

Mr. Speaker, I rise in support of the rule which the Committee on Rules has recommended for H.R. 5334, the Housing and Community Development Act of 1992.

Normally, I favor an open rule on all bills. As a general principal, I think the process works best when Members—Democrats and Republicans alike—are allowed to offer amendments they deem worthwhile. However, after discussing the issue at length with Chairman GONZALEZ and the chairman of the Committee on Rules and after taking into consideration our legislative schedule and the desirability of passing a housing reauthorization bill, I think that a structured rule for H.R. 5334 is necessary.

I would like to say that Chairman GONZALEZ has been most accommodating in his willingness to work with the minority in fashioning a manager's amendment that we believe adequately addresses most of the concerns of Members who filed amendments and addresses most, not all, but most of the concerns of the administration. Although I had hoped that all of the amendments filed would be made in order, I must say that I understand why some were not. And those that were not are controversial for reasons on which reasonable people can differ. I favored the amendment the gentleman from California refers to with reference to lender liability for environmental cleanup. The issue of the jurisdiction of the Energy and Commerce Committee comes into question. That is an issue which could reduce the chances of passing the bill, not so much on the merits but on procedure and form.

Among the amendments included in the manager's amendment are two I filed on behalf of the administration. One would provide for a 4-percent across-the-board reduction in authorized amounts; another would strike the provisions in the bill which consolidate the section 8 voucher certificate programs. In addition, the chairman and I were able to agree on a flat 20-percent matching requirement for the HOME Program.

I want to reiterate that normally I favor open rules on all bills, but there are enough good provisions in this bill to keep the process of authorizing housing legislation moving. This rule is probably the best, given the complexity of housing legislation, the Committee on Rules could draft. Chairman GONZALEZ and I are of the same opinion that what is important now is to keep the process moving. Accordingly, I support adoption of the rule so that we may proceed directly to consideration of H.R. 5334, the Housing and Community Development Act of 1992.

Mr. DREIER of California. Mr. Speaker, I yield 4 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], the distinguished ranking member of the Subcommittee on Housing and Community Development.

Mrs. ROUKEMA. Mr. Speaker, I rise in reluctant opposition to this rule on H.R. 5334, the Housing and Community Development Act of 1992.

Normally, housing authorization bills are accompanied by an open rule so that Members would have the opportunity to address issues of concern in an uninhibited and unencumbered manner. Indeed some of the amendments had merit.

Yesterday, at the Rules Committee hearing, I did testify in support of an open rule. However, I can appreciate the concerns expressed by the committee and the leadership that with so few legislative days remaining, we must work expeditiously to move bills through the floor.

While opposed to the rule, I do support the bill:

Now, let me turn briefly to the administration's position on this bill because later in general debate we are likely to hear that the administration

is opposed to this bill in its current form.

I regret that the administration has taken this position on such an important piece of legislation.

Yesterday, in the middle of the Rules Committee hearing on this bill, we were presented with the statement of administration policy [SAP] which expressed opposition to the bill.

This statement is almost identical to a letter the chairman of the Housing Subcommittee received from HUD as we reported out H.R. 5334 and reviews the same arguments which have been presented, debated, and rejected by the Banking Committee.

It is truly a shame that very important programs in this bill, including the streamlining of the McKinney Homeless Programs, and the extremely important remedy we have included for the problem of mixing the disabled and mentally ill with the elderly in public and assisted housing. These are major concerns which must be addressed ASAP and in my opinion override the administrations objections.

But perhaps more than that, at a time when the administration is being buffeted by bad news at the polls and in the economy, a bill like this which does promote economic activity and will create jobs is being downplayed.

Not only does this bill reauthorize important housing programs such as the HOME Partnership created 2 years ago which will help lead to the creation of much needed new home construction and rehabilitation jobs, but it also includes programs such as the CDBG Program which will help create additional infrastructure jobs at the local level.

In addition to the economic stimulation and job creation implications of this bill, H.R. 5334, and the leadership amendment coming up, also includes many initiatives proposed by HUD itself. These include: Choice in tenant management, 1-for-1 public housing replacement, cutoff of subsidy for vacant housing, safe havens, vouchers and certificates for home ownership, lower spending levels, and a modified plan to help remove barriers to affordable housing.

I appreciate the Secretary's disappointment with the funding level for his HOPE Program. But, what is wrong with a $400 million authorization for a home ownership which is just 1-year-old and has no record of success?

I support Secretary Kemp's argument over the prohibition on the 57-percent closing cost rule for FHA mortgages. But we tried twice to reverse that and we lost.

Finally, the concern for the HOME match is laudable but a significant improvement over current match requirement.

Clearly, the very important housing programs in this bill, the potential economic stimulation, and the gains made on behalf of the administration far outweigh the few remaining concerns.

Mr. Speaker, I urge support for this legislation.

□ 1050

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

I would like to take a personal moment to add my own sorrow that the gentleman from Ohio [Mr. WYLIE] is leaving. In the three terms that I have been here, I have come to respect him greatly for his hard work, his dedication, and his friendship.

Not only will we miss him here in the House, but he will be missed by the people of the country.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

I would like to join in associating my remarks with the gentlewoman from New Jersey [Mrs. ROUKEMA], who very accurately points to one of the problems that we have with this bill. While she is not as concerned about it as I am, it is the question of funding for HOPE, which I think Secretary Kemp wants us to address.

We went through a major battle on the appropriations bill that was here just recently, and it seems to me that if we are going to provide an opportunity for 80,000 low-income Americans to have the chance to attain the American dream of home ownership, it is essential that we move ahead in a bold and very dynamic way to try and provide that opportunity for them to attain the dream.

I would also like to expand further on the issue which I am going to raise in my attempt to defeat the previous question here. As we look at some of the quotes that were provided in testimony by the Chairman of the Federal Reserve Board, Alan Greenspan, it is very striking that he believes that a major part of the credit crunch is due to this question of lender liability.

What he said in testimony 6 months ago in the Senate, he said:

> In the surveys that we have taken through our various Federal Reserve Banks, we have clearly concluded that lender liability is a factor in the restraint of credit.

While I know there has been a commitment by a number of Members here to try and move ahead with dealing with this legislation, as I said in my opening remarks, 271 bipartisan cosponsors, it passed the Senate without any opposition whatsoever, and yet Chairman Greenspan's statement was as follows:

> I would hope that the lender liability issue can be resolved as expeditiously as one can do it through the legislative process.

That was delivered on January 29 of this year, fully 6 months ago.

So it seems to me that this is our one opportunity to deal with a pressing issue that is facing our financial markets and those who are trying to have the opportunity to own property.

Mr. Speaker, I yield 4 minutes to the gentleman from Westerville, OH, Mr. KASICH, who has done a great deal of work on this issue. He is adjacent to the gentleman who is the ranking member of the committee from Columbus, the gentleman from Ohio [Mr. WYLIE].

Mr. KASICH. Mr. Speaker, I appreciate the gentleman yielding time to me.

This comes from the July 26 Columbus Dispatch, a story that appeared there datelined Chicago:

> You will forget her name. You will forget her face. And the last mark she left—a blood stain on the pavement in front of her apartment building at Cabrini-Green—was washed away Friday.
>
> Late Thursday, Laquanda Edwards lost her dream to flee the random violence she so feared. Her mother will never be able to answer the plea her 15-year-old daughter made just Monday:
>
> Momma, please, get me out of here.
>
> Laquanda Edwards was shot once in the back of the head by a sniper in the heart of the Chicago Housing Authority's Cabrini-Green housing complex.
>
> She was on her way to a store to pick up a bottle of milk.
>
> She became part of a grim roll call that includes Rachel Durr, 19, shot in the head last summer as she crossed a street; Anthony Felton, 9, shot in the back as he stood with friends; Winston Edwards, 22, shot in the face.
>
> There are at least half a dozen more. The list of wounded is longer.

This is unbelievable, my colleagues. This is not Iraq, and it is not Sarajevo, and it is not Bosnia. It is a housing complex in Chicago, IL.

When my colleagues read this article, the entire article, which I will put in the RECORD, they will all be shocked with what they see.

I want to take a few minutes to compliment the gentleman from Texas [Mr. GONZALEZ] and my friend, the gentleman from Ohio [Mr. WYLIE], for the effort they make in the housing programs. I think they have some good ideas in this bill.

I think the former Member from New York, Mr. Kemp, his ideas on HOPE, I think, are excellent ideas.

But I want to say to my colleagues today that we are not even scratching the surface. This is a war that is going on in our cities. It is a war that literally threatens all of us. It is a war that is threatening the next generation of Americans who, believe it or not, cannot go outside of their apartments at night fearful that in this public housing complex—and it is not unique in America—that some sniper who is dealing drugs on the top of some building is going to shoot them.

We need a Desert Storm attitude when it comes to solving the problems in these inner cities and solving the problems when it comes to public housing, solving the problems when it comes to housing for all people in this country.

Is it going to take more money? Of course, it is going to take some money. There is no question about it.

I voted for the urban aid emergency package. Some of my colleagues did not, thought money was wasted. Probably some of that money will be wasted, because some of that money was passed through outdated, outmoded bureaucratic structures.

What we are going to have to do in this country and what we are going to have to do in this Congress is to work together, Republicans and Democrats, to break down conventional thinking, to begin to think unconventionally in somewhat radical terms, in terms of not only how we spend money but what ideas we develop, what unconventional, imaginative, human spirit-oriented ideas that we can develop in this country that can begin to solve this problem, that can begin to allow us to win a war against this kind of random violence that is not even imaginable in the United States of America.

So while I intend to support the efforts of the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] and continue to support the efforts of Mr. Kemp, none of it is enough.

We have got to free ourselves from conventional thinking, and we have got to put aside partisan politics as we enter this next Congress and develop unique ideas for not only saving ourselves but saving the children of this country.

Mr. Speaker, I include for the RECORD a copy of the article from which I quoted.

[From the Columbus Dispatch, July 26, 1992]

DREAM IS SHATTERED BY GUNMAN

CHICAGO.—You will forget her name. You will forget her face. And the last mark she left—a blood stain on the pavement in front of her apartment building at Cabrini-Green—was washed away Friday.

Late Thursday, Laquanda Edwards lost her dream to flee the random violence she so feared. Her mother will never be able to answer the plea her 15-year-old daughter made just Monday:

"Momma, please, get me out of here."

Laquanda Edwards was shot once in the back of the head by a sniper in the heart of the Chicago Housing Authority's Cabrini-Green housing complex.

She was on her way to a store to pick up a bottle of milk.

On Friday, in the cramped apartment Laquanda Edwards shared with her mother and three brothers, Lueella Edwards stared at a photo of her smiling daughter clutching a diploma at her recent 8th-grade graduation.

HER DREAM WAS TO MOVE

"It was the first part of the ticket out of here," Lueella Edwards said. "She would say, 'I just want to be free to walk outside.'

"She wanted to move to Palatine. That was her dream every day. This week she was sadder than ever, and on Monday she just said she couldn't take it anymore."

But like the others who have died on the streets surrounding the notorious Cabrini-Green housing complex, Laquanda Edwards' hopes were lost to a faceless killer.

She became part of a grim roll call that includes Rachel Durr, 19, shot in the head last summer as she crossed a street; Anthony Felton, 9, shot in the back as he stood with friends; Winston Edwards, 22, shot in the face.

There are at least half a dozen more. The list of wounded is longer.

AN AMERICAN WAR ZONE

These aren't the war-torn streets of Sarajevo, but the fear of lurking snipers is the same. Perched above the complex's sidewalks and playgrounds, they sit in abandoned high-rise apartments armed with high-powered rifles fitted with telescopic sights.

They pick their targets at random as soon as the sun begins to set.

The culprits are gang members, police and residents say, teenagers with too much time on their hands and little hope of leaving public housing. They use fear and intimidation to protect the drug trade on their turf. They control buildings unsecured by Chicago Housing Authority patrols, wielding weapons with impunity.

Police sources say the shot that killed Edwards most likely came from the upper floors of a partially occupied 11-story building controlled by two of Cabrini-Green's most powerful gangs. Cabrini-Green residents call it "snipe tower," a favorite nest for killers.

"You can't go out at night near there," said Michael, 15. "They have Uzis, deer rifles, Tech-9s. They just sit up there and spray.

"If you're out there, you're dead."

LEAVING IS ONLY WAY OUT

Chicago Housing Authority officials acknowledge the danger but say they can offer no solutions other than the periodic security sweeps that usually net only a handful of firearms.

"Cabrini is a reflection of the city at large," said Robert Whitfeld, the Chicago Housing Authority's chief operating officer. "Just this morning we had a report of a police car being sniped at on State Street.

"If they are sniping at police cars, they'll shoot at everything. It's unfortunate and I'm sorry. If we lose one resident a year, that is too many. But it is a problem we do not know how to solve. We don't have enough police and adequate security. Unfortunately, the only solution is to leave."

Laquanda Edwards knew that. Her mother took a summer job as a janitor to help her family earn enough for the $525-a-month rent they needed to move to Palatine, where her brother and sister-in-law live.

But by Friday night, Laquanda's belongings had been cleared out of the bedroom she shared with her mother.

"I threw them all away," Lueella Edwards said. "My baby wanted so badly to get out of here, and now she is gone."

□ 1100

Mr. DREIER of California. Mr. Speaker, I yield 6½ minutes to the gentleman from Baton Rouge, LA, Mr. BAKER, who was a coauthor of this very important amendment, which unfortunately was not allowed. That is one of the reasons we want to defeat the legislation.

Mr. BAKER. Mr. Speaker, regrettably, the House Rules Committee failed to make an order on an amendment that I have proposed with many other hard working members to modernize the Federal Home Loan Bank System.

At both the subcommittee and full committee mark up of the Housing and Community Development Act of 1992, we discussed and proposed legislation in the form of an amendment to modernize the Federal Home Loan Bank System. At the request of the chairman, we withdrew this proposal for consideration at a later date. We strongly believe that the Federal Home Loan Bank Modernization Act of 1992 should be a component of any legislation to enhance housing opportunities during the 102d Congress, whether it be the housing reauthorization or the Government sponsored enterprises legislation.

Throughout several hearings this year, including those for H.R. 4073, the Emergency Community Development Act of 1992; those for H.R. 5334, the Housing and Community Development Act of 1992; and those 3 days of hearings on H.R. 4973—now amended and perfected—the Federal Home Loan Bank Modernization Act of 1992, we have underscored the problems of the Federal Home Loan Bank System: Declining advances, declining earnings, declining dividends, and declining savings association membership. In addition to directly impacting the availability of housing related finance in the financial marketplace, these results directly impact the percentage of the Federal Home Loan Bank System [FHLB System] earnings that are dedicated to the Affordable Housing Program [AHP] and the Community Investment Program [CIP].

We have the opportunity this year to modernize the FHLB System and to accomplish the following goals: First, to enhance the availability of housing related finance so that more people may realize their dream of homeownership; second, to equalize the antiquated membership rules so that they may reflect the current market participants in housing related finance; third, to increase the earnings of the Federal Home Loan Bank System; and, fourth, to strengthen existing AHP and CIP programs by restoring the System to profitability.

The FHLB System dates back to 1932 when 12 regional banks were first established to enhance the availability of housing related finance during difficult economic times. The role of the FHLB System has changed dramatically over the past 60 years. Prior to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA], the Federal Home Loan Bank Board served the savings and loan industry as a regulator [the Board], as an insurer—Federal Savings and Loan Insurance Corporation or FSLIC—and as a provider of funds—the regional banks. FIRREA transferred the roles of the regulator of the savings associations and of the district FHLB's to the Office of Thrift Supervision [OTS] and to the Federal Housing Finance Board [FHFB]

respectively. Finally, FIRREA transferred the role of the insurer for savings associations to the Federal Deposit Insurance Corporation [FDIC]. Today the FHLB System provides loans, called advances to member savings associations, commercial banks, community banks, credit unions and insurance companies for residential housing finance. The System also provides interest rate risk management services, provides annual funding for the savings and loan rescue, and finances programs for affordable housing.

Regrettably, the FHLB System's profitability has steadily declined over the past several years. In 1989, the FHLB System posted record earnings of $1.8 billion. In 1990, the figure dropped to $1.43, and then to $1.15 billion in 1991. By most every approximation, the earnings this year will total only $700 million to $800 million. The first reason for this decline is that the membership of the FHLB System was historically, and is currently, geared predominantly toward the savings and loan industry. The number of savings and loans has dropped from 2,934 at the time of FIRREA, to same 2,100 today. The OTS further expects that the total number of savings associations will be approximately 1,800 after the industry contraction is complete. While savings and loans once dominated the housing finance industry, commercial banks and community banks have now steadily outpaced them. The FHLB System must be modernized to accommodate these changes.

The second drain on the FHLB System's profitability is its yearly $300 million contribution to pay off a designated percentage of the interest on the obligations of the Resolution Funding Corporation [REFCORP] which provides independent funding for the RTC. FIRREA structured this payment so that the FHLB System initially contribute the aggregate amount of systemwide retained earnings at the time of FIRREA, which amounted to $2.1 billion, and then follow on a yearly basis with a fixed $300 million assessment. As originally contemplated in FIRREA, this fixed assessment amounted to 20 percent of systemwide earnings. Because of the declining membership and earnings of the FHLB System today, this fixed contribution now amounts to approximately 34 percent of the System's earnings and may far exceed 40 percent next year.

Our legislative proposal, the Federal Home Loan Bank Modernization Act of 1992, restores profitability, provides access to those genuinely in the business of housing related finance, and enhances existing AHP and CIP programs.

First, our legislation provides for equal voluntary access and uniform membership requirements for all FHLB System members. This transition includes equalizing the minimum stock purchase requirements, as well as equalizing the ongoing stock-to-borrowing requirement. To date, these inequities have tied up an unnecessary amount of savings association capital through the initial stock contribution to the FHLB System, as well as discouraged nonsavings association members from borrowing because of the egregiously high ongoing stock-to-borrowing ratios. Our proposal also eliminates the existing priority that restricts a district bank from extending new advances in an aggregate amount to nonsavings association borrowers that would exceed 30 percent of that district bank's total advances.

Second, our proposal modifies the FHLB System's annual contribution to REFCORP to the lesser of 20 percent of systemwide earnings or $300 million. The proposal provides the Federal Housing Finance Board with authority to establish procedures for a backup payment in the event that 20 percent of systemwide earning does not yield $300 million in any given year. More specifically, to the extent that 20 percent of systemwide earnings does not yield $300 million, the FHFB will impose an assessment on savings association insurance fund members at a rate necessary to equal the deficiency. This assessment will be transferred to the funding corporation no later than the date by which any payment by the FHLB's is due for such year. Unfortunately, the effect of FIRREA was to tax the FHLB System for the problems of the savings and loan industry, rather than taxing the savings and loan industry directly. Our proposal adjusts this mechanism only to the extent that 20 percent of FHLB systemwide earnings does not exceed $300 million.

We again stress that it is essential to act on the Federal Home Loan Bank Modernization Act of 1992 in the short time we have remaining this year. The Congressional Budget Office, the Office of Thrift Supervision, and the Federal Housing Finance Board continue to recognize the shortcomings in the profitability of the FHLB System in the current residential housing finance market. This proposal has support from the regulators, the district banks, and most FHLB System members.

We have the opportunity to make dramatic improvements to the Federal Home Loan Bank System. The System plays an integral role in the delivery of housing related finance, yet the Congress has ignored the System's decline since the passage of FIRREA. At a time of nationwide mergers and acquisitions, the FHLB System provides an attractive alternative for community lending institutions. The components of our proposal, when taken together, provide the necessary changes to modernize the Federal Home Loan Bank System, and to restore the System to profitability. It is our hope and intention that we can act on this proposal this year.

Mr. Speaker, I ask the distinguished gentleman from California [Mr. DREIER] if he would join me in a brief colloquy, since I was not present for the full deliberations of the Committee on Rules.

It was my understanding that, at a later hour, there were discussions with the distinguished chairman from the Committee on Banking relating to the possibility of a markup on the Federal home loan bank bill, known as the Baker-Neal proposal, at a later time. I would ask the gentleman, is my understanding correct?

Mr. DREIER of California. Will the gentleman yield?

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

Mr. DREIER of California. Mr. Speaker, let me say to my friend, the gentleman from Louisiana, at the outset, that when he was in the room I had asked the question of our colleague, the gentleman from Georgia [Mr. BARNARD] as to whether or not we would be able to move in a timely manner in addressing this.

He is retiring. His fear is that with as many as 150-plus new Members of Congress coming in, as we go through the orientation, he predicted that we would not be able to address this until June 1993. That, of course, led many of us to have concern.

Mr. BAKER. That was an optimistic projection.

Mr. DREIER of California. Many of us were concerned.

The gentleman from Texas [Mr. FROST], who was on the committee, told us he was sympathetic with the goals of this amendment, and in fact had had a conversation with the chairman of the Committee on Banking, the gentleman from Texas [Mr. GONZALEZ], and had an assurance that we would see not just hearings but we would see a bill moved ahead before the end of this Congress.

I will be happy to yield to the distinguished chairman of the committee, Mr. GONZALEZ, to see if he could confirm that conversation the gentleman from Texas [Mr. FROST] reported to us in the Committee on Rules.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding to me, and I am glad he did ask me. This is something I have repeatedly said.

The gentleman was present at the Committee on Rules hearing in which I again reassured, and I am quite surprised and disappointed that the gentleman from Louisiana [Mr. BAKER] would take it out on the rule. I would mention for the RECORD that I have received a letter from the Kansas-Nebraska League of Savings Institutions

in which they oppose this, because they have not been heard.

I just want to say that there was a good reason why the Committee on Rules did not provide a rule. First, we could have attacked this on germaneness at this point, but I did not want to do that. I have assured everybody concerned that as soon as we hear from the industry, such as these people from Kansas and Nebraska that are very concerned about this and its impact, as it is presently written, that we are going to proceed as soon as it is humanly possible. We are not going to wait until next year. That assurance has been given time and time again. I am just surprised that it is acted as if it has not already been given and sworn to.

I would asks the gentleman from California [Mr. DREIER] if that answers the gentleman's question.

Mr. DREIER of California. I would say to the chairman, yes, it does.

Mr. BAKER. Mr. Speaker, I thank the gentleman for his comments.

Certainly, with all deference to the chairman, and with all deference to his opinion in the matter, I would say that we did have 3 days of hearings. We did withdraw voluntarily consideration of this amendment at subcommittee and at full committee in discussion with the chairman in order to have those hearings.

Our understanding at that point was that we would then move to markup of the matter at a later hour. There has been some indication by various members of the savings and loan industry that they have problems with the legislation. Frankly, that is not my job at this moment. My job is to make sure the system stays whole and that the consumer is protected.

With those statements, I am most appreciative of the chairman's willingness to conduct a markup, and I am grateful for his willingness to proceed.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would simply like to say, on the amendment regarding the lender liability provision which I referred to earlier, I hope very much that we are able to defeat the previous question and make this amendment in order.

Mr. Speaker, I would like to read briefly a letter that just came out yesterday from Mr. Casey, the president of the Resolution Trust Corporation. In his letter he said:

As of July 1, 1992, the Resolution Trust Corporation had identified approximately 1,200 properties with potential hazardous substance problems, as defined in the proposal, which are likely to be difficult to sell. These properties have a total book value of approximately $2 billion. Our conservative estimate is that $250 to $375 million would be saved from reduced holding costs and higher sales prices.

To maximize it performance, the RTC needs this type of legislation.

I am referring, of course, to legislation which has 271 cosponsors. An overwhelming number of organizations have demonstrated their support for it. As Al Greenspan said, this is the best way for us to effectively deal with the credit crunch.

I hope very much that we will defeat the previous question and make our amendment in order so we can proceed with this measure.

RESOLUTION TRUST CORPORATION,
Washington, DC, August 4, 1992.

Hon. DAVID DREIER,
House of Representatives, Washington, DC.

DEAR MR. DREIER: I want to extend my appreciation for your efforts and leadership in attempting to limit lender liability associated with the presence of hazardous substances on properties held by the Resolution Trust Corporation. I am encouraged that you will request that the House Committee on Rules to make in order a rule to allow for the consideration of a lender liability provision that is of the utmost importance to the Resolution Trust Corporation. This provision, which passed the Senate on July 1, 1992, is an essential component in assisting the RTC to minimize the cost of the thrift clean-up to the taxpayers.

As you know, while acting as receiver or conservator, the RTC regularly inherits real estate and loans with collateral which has been contaminated by hazardous substances or underground storage tanks. Subtitle D of S. 2733, the Federal Housing Enterprises Regulatory Reform Act of 1992, would protect the RTC from incurring hazardous substance and underground storage tank liability, and would therefore limit the taxpayers' costs associated with resolving failed and failing depository institutions.

As of July 1, 1992, the RTC had identified approximately 1,200 properties with potential hazardous substance problems, as defined in the proposal, which are likely to be difficult to sell. These properties have a total book value of approximately $2 billion. Our conservative estimate is that $250 to $375 million would be saved from reduced holding costs and higher sales prices.

To maximize its performance, the RTC needs this type of legislation to be assured that actions it takes to protect its security interest do not constitute a degree of participation in management of assets which would trigger liability under hazardous substance laws. Subtitle D would exempt the RTC and the first subsequent purchaser of contaminated properties from the RTC liability for hazardous substance clean-up where it did not cause the contamination. The RTC supports this legislation because it would limit the liability of the RTC and its subsequent purchasers for hazardous substance clean-up.

Thank you again for your consideration of this vital issue. The adoption of the provision will help us improve the performance of the RTC while minimizing the cost of the thrift clean-up to the taxpayers.

With best wishes.

Sincerely,

ALBERT V. CASEY,
President and CEO.

Mr. Speaker, I yield back the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. MURTHA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 163, not voting 27, as follows:

[Roll No. 362]

YEAS—244

Abercrombie	Flake	Moody
Ackerman	Foglietta	Mrazek
Alexander	Ford (MI)	Murphy
Anderson	Frank (MA)	Murtha
Andrews (ME)	Frost	Nagle
Andrews (NJ)	Gaydos	Natcher
Andrews (TX)	Gejdenson	Neal (MA)
Annunzio	Gephardt	Nowak
Anthony	Geren	Oakar
Applegate	Gibbons	Oberstar
Aspin	Glickman	Obey
Atkins	Gonzalez	Olin
AuCoin	Gordon	Olver
Bacchus	Guarini	Ortiz
Beilenson	Hall (OH)	Orton
Bennett	Hall (TX)	Owens (NY)
Berman	Hayes (IL)	Owens (UT)
Bevill	Hayes (LA)	Pallone
Bilbray	Hefner	Panetta
Blackwell	Hoagland	Parker
Bonior	Horn	Pastor
Borski	Hoyer	Patterson
Boucher	Hubbard	Payne (NJ)
Boxer	Hughes	Payne (VA)
Brewster	Jefferson	Pease
Brooks	Jenkins	Pelosi
Browder	Johnson (SD)	Penny
Brown	Johnston	Perkins
Bruce	Jones (GA)	Peterson (FL)
Bryant	Jones (NC)	Peterson (MN)
Bustamante	Jontz	Pickett
Byron	Kanjorski	Pickle
Campbell (CO)	Kaptur	Poshard
Cardin	Kennedy	Price
Carper	Kennelly	Rahall
Carr	Kildee	Rangel
Chapman	Kleczka	Ray
Clay	Kolter	Reed
Clement	Kopetski	Richardson
Coleman (TX)	Kostmayer	Roe
Collins (IL)	LaFalce	Roemer
Cooper	Lancaster	Rose
Costello	Lantos	Rostenkowski
Cox (IL)	LaRocco	Rowland
Coyne	Laughlin	Roybal
Cramer	Lehman (CA)	Russo
Darden	Lehman (FL)	Sabo
de la Garza	Levin (MI)	Sanders
DeFazio	Levine (CA)	Sangmeister
DeLauro	Lewis (GA)	Sarpalius
Dellums	Lipinski	Savage
Derrick	Lloyd	Sawyer
Dicks	Long	Scheuer
Dingell	Lowey (NY)	Schroeder
Dixon	Luken	Schumer
Donnelly	Manton	Serrano
Dooley	Markey	Sharp
Dorgan (ND)	Martinez	Sikorski
Downey	Matsui	Sisisky
Durbin	Mavroules	Skaggs
Dwyer	Mazzoli	Skelton
Dymally	McCloskey	Slattery
Early	McCurdy	Slaughter
Eckart	McDermott	Smith (FL)
Edwards (CA)	McHugh	Smith (IA)
Edwards (TX)	McMillen (MD)	Solarz
Engel	McNulty	Spratt
English	Mfume	Stallings
Espy	Miller (CA)	Stark
Evans	Mineta	Stenholm
Fascell	Mink	Stokes
Fazio	Moakley	Studds
Feighan	Mollohan	Swett

Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Traficant
Unsoeld
Valentine
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—163

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Emerson
Erdreich
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Myers
Nussle
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Walsh
Weber
Weldon
Williams
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—27

Barnard
Bentley
Broomfield
Collins (MI)
Condit
Conyers
Davis
Dickinson
Edwards (OK)
Ford (TN)
Gillmor
Hatcher
Hertel
Hochbrueckner
Ireland
Lowery (CA)
Moran
Neal (NC)
Nichols
Schulze
Staggers
Torricelli
Towns
Traxler
Vander Jagt
Volkmer
Whitten

□ 1128

Messrs. WYLIE, ERDREICH, GILMAN, and HUCKABY changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DREIER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 251, noes 154, not voting 29.

[Roll No. 363]

AYES—251

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Ford (MI)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hayes (IL)
Hayes (LA)
Hefner
Hoagland
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (SD)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Traficant
Unsoeld
Valentine
Vento
Visclosky
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NOES—154

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Emerson
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Hunter
Hyde
Inhofe
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nowak
Nussle
Orton
Owens (UT)
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—29

Barnard
Bentley
Collins (MI)
Condit
Conyers
Davis
Dickinson
Edwards (OK)
Foglietta
Ford (TN)
Hatcher
Hertel
Hochbrueckner
Houghton
Ireland
Jefferson
Jones (GA)
Lowery (CA)
Moran
Nichols
Owens (NY)
Schulze
Schumer
Torricelli
Towns
Traxler
Vander Jagt
Volkmer
Waters

□ 1146

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 5487, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5487) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending Sep-

tember 30, 1993, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. SKEEN

Mr. SKEEN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. SKEEN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 5487 be instructed to insist on the House position on the Senate amendment numbered 43.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes, and the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes.

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not intend to take much time in explaining the nature and purpose of my motion. The House-passed bill providing appropriations for Agriculture, rural development, FDA, and related programs for fiscal year 1993, provides for $329,500,000 for the Farmers Home Administration section 502 unsubsidized loan guarantee program. This is the same amount which was agreed to and appropriated for the fiscal year 1992 program. The Senate-passed bill only provides $200 million, a reduction of $129,500,000 below the House level. My motion to instruct simply requests that our House conferees adhere to the House level of funds in order to assure that a reasonable number of low- and moderate-income rural area home purchasers are given the opportunity to purchase modest and affordable housing.

Mr. Speaker, I urge adoption of the motion.

□ 1150

Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Certainly I support the gentleman's motion to instruct. Let me also, if I may, very briefly mention one other thing. The most recent farm bill has a big black eye in the market promotion program. The committee, I think quite rightly, recognized that this is not a good program and it should not stand at $200 million, so it cut its funding to $75 million.

Unfortunately, the other body increased that funding back to $175 million. It would be my hope that the conferees would insist on the $75 million provision that this committee so responsibly established. I would encourage them to do so.

Mr. Speaker, I must say that I will be quite active in my opposition to the conference report if in fact the number comes back at a figure higher than $75 million.

Mr. SKEEN. Mr. Speaker, I urge the adoption of my motion to instruct.

The SPEAKER pro tempore (Mr. KANJORSKI). Does the gentleman from Mississippi [Mr. WHITTEN] request time?

Mr. WHITTEN. Mr. Speaker, I have no objection to the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from New Mexico [Mr. SKEEN].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. WHITTEN, TRAXLER, MCHUGH, NATCHER, and DURBIN, Ms. KAPTUR, Messrs. PRICE, MRAZEK, SMITH of Iowa, SKEEN, MYERS of Indiana, and WEBER, Mrs. VUCANOVICH, and Mr. MCDADE.

There was no objection.

APPOINTMENT OF CONFEREES ON S. 1671, WASTE ISOLATION PILOT PLANT LAND WITHDRAWAL ACT OF 1991

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1671) to withdraw certain public lands and to otherwise provide for the operation of the waste isolation pilot plant in Eddy County, NM, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan? The Chair hears none and, without objection, appoints the following conferees:

From the Committee on Interior and Insular Affairs, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. MILLER of California, VENTO, KOSTMAYER, RICHARDSON, LAROCCO, YOUNG of Alaska, RHODES, and HEFLEY.

From the Committee on Energy and Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. DINGELL, SHARP, SYNAR, SWIFT, BRUCE, LENT, MOORHEAD, and DANNEMEYER.

Except that, solely for consideration of section 9 (a) and (c) of the Senate bill, and section 14 (a) and (b) of the House amendment, Mr. SCHAEFER is appointed in lieu of Mr. DANNEMEYER.

From the Committee on Armed Services, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. ASPIN, SPRATT, and SISISKY, Mrs. SCHROEDER, Mrs. LLOYD, and Messrs. DICKINSON, SPENCE, and KYL.

There was no objection.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992

The SPEAKER pro tempore. Pursuant to House Resolution 537 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5334.

□ 1153

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 consideration of the bill (H.R. 5334) to amend and extend certain laws relating to housing and community development, and for other purposes, with Mr. HEFNER in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, today we are considering H.R. 5334, the Housing and Community Development Act of 1992, which contains the reauthorization of all the urban and rural federally subsidized housing and community development programs for fiscal year 1993. Two years ago this body passed landmark housing legislation—the National Affordable Housing Act of 1990. H.R. 5334 makes technical and programmatic changes to the 1990 Housing Act, expands upon existing housing assistance programs, and provides new approaches to several issues, including mixed populations in public and assisted housing.

I want to thank all of my colleagues on the Banking Committee for their efforts on this bill. I particularly want to note my appreciation for my friends and colleagues CHALMERS WYLIE and MARGE ROUKEMA. As ranking member on the Banking Committee, CHALMERS WYLIE has provided leadership and bipartisan cooperation on this, and so many of our past housing bills. As ranking member of the Subcommittee on Housing and Community Development, MARGE ROUKEMA has also provided much appreciated leadership and cooperation in moving this legislation forward. In addition, I want to thank GERRY KLECZKA who has made tremen-

dous contributions to the bill in working out a solution that is fair to all concerned to the complex problem of mixing elderly and nonelderly in public and assisted housing.

This bill reauthorizes a home ownership program I have sought—the national homeownership trust; it includes the HOPE programs the administration seeks; and it improves on the home investment partnership, the New Housing Production Program created in 1990 to reverse the neglect and intentional degradations of such programs by the past administration. As I mentioned above, a new initiative in this year's bill provides a solution to the thorny problems of mixing the elderly and the nonelderly disabled in public and assisted housing. It also includes an extension of CDBG funding, Indian housing programs and rural housing programs. Finally, the legislation provides initiatives for the prevention of homelessness and for the rehabilitation of vacant public housing units. This legislation represents a balanced and integrated package of initiatives and existing programs that will not only provide new home ownership opportunities for those currently unable to take advantage of such opportunities, but will also provide much needed rental housing for thousands.

If the en bloc amendment is adopted, the bill will authorize for fiscal year 1993, a total of $28.8 billion for federally subsidized housing and community development programs which are administered by HUD and the Farmers Home Administration in both urban and rural areas. Of the $28.8 billion, the bill will authorize the following: $16.9 billion for HUD public and assisted housing programs, including $8.8 billion for section 8 contract renewals and amendments; $384 million for the HOPE home ownership programs; $520.7 million for the National Home Ownership Trust Program for first-time home buyers; $2.1 billion for the HOME Program; $856.6 million for the preservation of federally assisted housing; $1.9 billion for elderly and disabled advances and rental assistance; $1.2 billion for the FmHA rural housing loan and grant programs; $3.3 billion for the Community Development Block Grant Program; and $705.9 million for the HUD McKinney homeless programs.

H.R. 5334 represents a bipartisan effort to reauthorize all the federally assisted housing and community development programs which are critical to our Nation's urban and rural areas. The committee has incorporated, for instance, several initiatives proposed by the administration, including the safe havens for homeless individuals demonstration program, to assist homeless persons with mental illness and substance abuse problems, the consolidation of two existing homeless programs into the supportive housing programs to effectively deliver housing and services to the homeless, the merger of the activities under the Shelter Plus Care Program to simplify the program application process, and funding for the administration's HOPE programs. The bill also includes changes to improve the HOME Program, and to the Public Housing Program and provides a solution to the complicated issue of mixing elderly and nonelderly in public and assisted housing. Finally, the committee bill establishes a rural homelessness grant program and amends the farmer home property disposition program to assist the homeless in rural areas.

I urge my colleagues to support this bill and join me in demonstrating Congress' commitment to providing safe, decent, sanitary, and affordable housing to all of our citizens.

COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS

	Fiscal year—						
	1992 authorization	1992 administration request	1992 appropriations[1]	1993 administration request	1993 H.R. 5334	1993 House appropriations	1993 revision, H.R. 5334
Title I—Housing Assistance:							
Subtitle A—General Provisions	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
Subtitle B—Public and Indian Housing	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,307,436,000	2,129,587,200
Subtitles C/D—Section 8/Other Programs	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	371,025,000	266,740,736
Subtitle E—Homeownership Programs	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	351,000,000	904,665,600
Title I total	18,463,165,000	18,540,334,000	18,723,215,000	18,062,824,919	18,595,398,556	16,999,780,000	17,853,582,614
Title II—Home Program	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
Title III—Preservation Program	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	1,000,000,000	856,627,200
Title IV—Multifamily Strategies							
Title V—Mortgage Insurance	0	0	506,151,000	638,736,000	638,736,000	634,353,000	615,186,560
Title VI—Elderly and Disabled Housing	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	1,447,550,000	2,251,857,777
Title VII—Rural Housing	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,056,561,000	1,191,580,251
Title VIII—Community Development	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	4,029,476,000	3,321,203,200
Title IX—Regulatory and Misc. Programs	28,934,000	43,000,000	33,000,000	42,750,000	29,536,000	32,600,000	28,354,560
Title X—McKinney Homeless Programs	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	537,278,000	709,785,600
Title XI—New Towns Demonstration					(2)		(2)
Total	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	26,337,598,000	28,910,840,161
Title I—Housing Assistance:							
Subtitle A—General Provisions:							
Public Housing Grants	574,500,000	0	573,983,000	0	597,480,000	609,000,000	573,580,800
Indian	237,800,000	0	227,170,000	0	247,312,000	257,320,000	237,419,520
Sec. 8—Certificates	1,960,800,000	0	915,750,000	0	2,039,232,000	851,500,000	1,957,662,720
Sec. 8—Multicultural Tenant Assist					(2)		(2)
CIAP	2,242,500,000	2,266,967,000	2,800,975,000	2,291,750,000	2,332,200,000	3,000,000,000	2,238,912,000
Sec. 8—Property Disposition/restore	438,100,000	266,682,500	88,884,000	110,000,000	455,624,000	93,032,000	437,399,040
Sec. 8—Loan Management/restore	166,900,000	348,750,000	257,000,000	202,400,000	173,576,000	202,000,000	166,632,960
Sec. 8—Expiring Contracts	7,100,000,000	7,024,589,000	7,355,128,000	7,261,632,000	7,261,632,000	6,346,135,000	6,971,166,720
Sec. 8—Contract Amendments	1,690,200,000	2,615,590,500	2,488,250,000	1,918,800,550	1,918,800,550	1,616,304,000	1,842,048,528
P.H. Lease Adjust./Amend	216,100,000	112,000,000	112,000,000	21,755,000	21,755,000	140,555,000	20,884,800
Sec. 8—P.H. Replacements	82,500,000	0	(35,997,548)	0	85,800,000	0	82,368,000
Section 23 Conversions		35,150,000	16,666,000	25,535,406	25,535,406	25,535,000	24,513,990
Weed & Seed Proposal				(39,929,948)			
Moving to Opportunity Proposal				(38,151,899)	(2)		(2)
P.H. Homeownership 5(h)/Voucher Proposal				(45,023,994)			
Sec. 8—Vouchers		2,145,600,000	777,500,000	2,690,813,463		813,500,000	(959,254,733)
Sec. 8—Elderly Coordinators		(16,250,000)	(16,250,000)	15,437,500		15,438,000	
Certificates/Voucher Opt-outs		31,100,000	16,667,000	0			
Rent Supp./RAP Conversions		41,000,000	16,667,000	0			
Low-Inc. Hsng. Authorization—Subtotal	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
HOPE for Family Self-Sufficiency	(25,000,000)		(3)	(4)	(25,000,000)	(25,900,000)	(24,000,000)
Subtitle A—Subtotal	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
Subtitle B—Public and Indian Housing:							
Pub. Hsng. Operating Subsidies	2,086,000,000	2,155,844,000	2,450,000,000	2,282,436,000	2,169,440,000	2,282,436,000	2,082,662,400
Pub. Hsng. Income Deductions					(2)		(2)
Pub. Hsng. Vacancy Reduction	(5)			0	(6)		(6)
Pub. Hsng. Resident Mgmt	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(2)	(4,750,000)	(2)
P.H. Family Investment Centers	26,100,000	0	0	0	27,144,000	25,000,000	26,058,240
P.H. Early Child Dev. Grants	(15,700,000)	(5,000,000)	(5,000,000)	(4,750,000)	21,736,000	(5,000,000)	20,866,560
Indian P.H. Early Child Dev. Grants	(5,200,000)				(2)		(2)
Pub. Hsng. One-Stop Perinatal	(150,000)				(2)		(2)

COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year—						
	1992 authorization	1992 administration request	1992 appropriations[1]	1993 administration request	1993 H.R. 5334	1993 House appropriations	1993 revision, H.R. 5334
National Comm. on Amer. Indians					(2)		(2)
Subtitle B—Subtotal	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,307,436,000	2,129,587,200
Subtitles C/D—Section 8/Other Programs:							
Sec. 8 Family Unification (Foster Care)	35,000,000		(50,000,000)	0	36,400,000	100,000,000	34,944,000
Moving to Opportunity				(38,151,899)	such sums		such sums
Pub. Hsng. Drug Elimination Grants	166,900,000	165,000,000	165,000,000	165,000,000	173,576,000	165,000,000	166,632,960
Flexible Subsidy/RESTORE	52,200,000	203,413,000	50,000,000	50,000,000	54,288,000		52,116,480
Housing Counseling	3,700,000	3,700,000	6,025,000	3,515,000	3,848,000	6,025,000	3,694,080
Emergency Housing Counseling	7,000,000	0	(2,000,000)	0	7,280,000		6,988,800
Counseling Certification Training							2,000,000
Prepurchase Counseling	365,000		350,000		379,600		364,416
Lead Based Paint Demo			50,000,000	23,750,000		100,000,000	
Youthbuild					(2)		(2)
Subtitles C&D—Subtotal	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	371,025,000	266,740,736
Subtitle E—Homeownership Programs:							
HOPE Homeownership Grants:							
I. Public/Indian Housing	380,000,000	380,000,000	161,000,000	450,000,000	100,000,000	161,000,000	96,000,000
II. Multifamily Units	280,000,000	280,000,000	95,000,000	325,000,000	100,000,000	95,000,000	96,000,000
III. Single Family Homes	195,000,000	195,000,000	95,000,000	225,000,000	200,000,000	95,000,000	192,000,000
HOPE Subtotal	855,000,000	855,000,000	351,000,000	1,000,000,000	400,000,000	351,000,000	384,000,000
Pub. Hsng. Non-Purchaser Rental Assist.		53,990,000	0	(62,281,585)			
Pub. Hsng. Replacement Units		215,958,000	0	(249,158,577)			
HOPE 2 Non-Purchaser Assistance				(44,766,898)			
Subtotal	0	269,948,000	0	0	0	0	0
National Homeownership Trust	521,500,000	0	4,200,000	0	542,360,000	0	520,665,600
Trust/MRB Setaside					(2)	0	(2)
Indian Housing Loan Guarantees					(2)		(2)
Subtitle E—Homeownership Subtotal	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	351,000,000	904,665,600
Title I total	18,463,165,000	18,540,334,000	18,723,215,000	18,062,824,919	18,595,398,556	16,999,780,000	17,853,582,614
Title II—HOME Investment Partnerships:							
HOME Investment Partnership Program	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
Comm. Housing Partnership Strategies	(14,000,000)		(14,000,000)		(14,560,000)		(13,977,600)
State/Local Housing Strategies	(11,000,000)		(11,000,000)		(11,440,000)		(10,982,400)
HOME/Indians		(125,000,000)		(125,000,000)		0	
Title II total	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
TITLE III—Preservation:							
Preservation Fund	858,000,000				892,320,000	1,000,000,000	856,627,200
Vouchers/Section 8 Cert		49,042,000	49,042,000	469,256,000			
Incentives/Homeownership		669,420,000	569,420,000	692,742,000	(692,742,000)		
Title III total	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	1,000,000,000	856,627,200
Title IV—Multifamily Housing Strategies							
Title V—Mortgage Ins./Secondary Market:							
FHA Credit Limitation (MMI)	(79,818,000,000)	(53,592,815,000)	(60,000,000,000)	(57,146,000,000)	(66,184,980,000)	(59,146,000,000)	65,905,824,960)
FHA Credit Subsidy			499,556,000	631,800,000	631,800,000	627,673,000	606,528,000
GNMA Credit Limitation	(88,296,000,000)	(74,769,293,000)	(74,769,293,000)	(77,700,000,000)	(77,700,000)	(77,700,000,000)	(74,592,000,000)
GNMA Credit Subsidy			6,595,000	6,936,000	6,936,000	6,680,000	6,658,560
Reinsurance Pilot Program							2,000,000
Title V total	0	0	506,151,000	638,736,000	638,736,000	634,353,000	615,186,560
Title VI—Housing for Elderly/Disabled:							
Sec. 202 Elderly Advances	659,000,000	76,405,000	538,808,000	48,741,560	685,360,000	512,050,000	657,945,600
Elderly Rental Assistance/Leases	363,000,000	122,600,000	451,200,000	127,842,830	765,722,496	571,840,000	735,093,596
Sec. 811 Disabled Advances	271,000,000	76,405,000	102,860,000	49,938,000	281,840,000	100,450,000	270,566,400
Disabled Rental Assistance/Leases	246,000,000	91,940,000	100,159,000	94,701,691	325,122,688	115,710,000	312,117,780
Congregate Services	26,100,000	0	17,700,000	0	27,144,000	7,500,000	26,058,240
Elderly Indep. Sec. 8 Cert./Vouchers	(35,500,000)	(35,800,000)	(35,800,000)	(38,151,899)	36,920,000	(38,288,000)	35,443,200
Elderly Indep. Services	10,400,000	10,400,000	10,000,000	10,246,000	10,816,000	10,000,000	10,383,360
AIDS Housing Program	156,500,000	0	50,000,000	0	162,760,000	100,000,000	156,249,600
Mixed Populations Provisions					50,000,000	30,000,000	48,000,000
Title VI Subtotal	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	1,447,550,000	2,251,857,777
Title VII—Rural Housing:							
Sec. 502 Homeownership (Direct) Loans	1,451,100,000	527,000,000	1,245,000,000	450,000,000	1,509,144,000	1,245,000,000	1,448,778,240
Sec. 502 Unsubsidized Direct Loans		32,000,000	50,000,000	0		50,000,000	
Sec. 502 Unsubsidized Guaranteed Loans		347,000,000	329,500,000	300,000,000	(2)	329,500,000	(2)
Sec. 502 Subsidized Guaranteed Loans		347,000,000	0	400,000,000			
Sec. 504 Improvement Loans	12,400,000	11,100,000	11,330,000	11,100,000	12,896,000	11,330,000	12,380,160
Sec. 514 Farm Labor Loans	12,500,000	16,250,000	16,300,000	16,250,000	13,000,000	16,300,000	12,480,000
Sec. 515 Multifamily Loans	739,500,000	341,000,000	573,900,000	341,000,000	769,080,000	500,000,000	738,316,800
Sec. 523 Mutual/Self-help Loans	800,000	0	500,000	0	832,000	500,000	798,720
Sec. 524 Site Loans	850,000	0	600,000	0	884,000	600,000	848,640
Aggregate Loan Authority	2,217,150,000	1,621,350,000	2,227,130,000	1,518,350,000	2,305,836,000	2,153,230,000	2,213,602,000
Rural Credit Subsidy Authorizations:							
Sec. 502 Rural Homeownership Loans	272,806,000	99,076,000	234,060,000	84,600,000	283,719,072	303,158,000	272,370,309
Sec. 502 Unsubsidized Guaranteed Loans		3,920,000	3,722,988	5,550,000	0	6,096,000	0
Sec. 504 Rural Improvement Loans	5,381,600	4,817,400	4,917,220	4,817,400	5,596,864	4,578,000	5,372,989
Sec. 514 Farm Labor Loans	7,075,000	9,197,500	9,225,800	9,197,500	7,358,000	8,029,000	7,063,680
Sec. 515 Rural Multifamily Loans	381,582,000	175,956,000	296,132,400	175,956,000	398,845,488	356,550,000	382,891,668
Sec. 523 Mutual Self-Help Loans	102,400	0	64,000	0	106,500	0	102,240
Sec. 524 Site Loans	18,700	0	13,200	0	19,500	0	18,720
Subtotal	666,966,500	292,967,618	548,135,608	280,1220,900	695,645,424	678,411,000	667,819,607
Rural Housing Support Programs:							
Sec. 502 Security Grants	1,100,000	0			1,144,000		1,098,240

COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year						
	1992 authorization	1992 administration request	1992 appropriations[1]	1993 administration request	1993 H.R. 5334	1993 House appropriations	1993 revision, H.R. 5334
Sec. 504 Improvement Grants	21,100,000	5,000,000	12,500,000	5,000,000	21,944,000	12,500,000	21,066,240
Sec. 509(c) Construction Defects Grants	600,000	0	500,000	0	624,000	500,000	599,044
Sec. 509 Project Preparation Grants	5,300,000	0	2,500,000	0	5,512,000	2,500,000	5,291,520
Sec. 515 Service Coordinators					such sums		such sums
Sec. 516 Farm Labor Grants	21,700,000	5,000,000	11,000,000	10,000,000	22,568,000	11,000,000	21,665,280
Sec. 516(k) Migrant Homeless Program	10,500,000	0		0	10,920,000		10,483,200
Sec. 523(f) Mutual/Self-Help Grants	13,900,000	0	8,750,000	0	14,456,000	8,750,000	13,877,760
Sec. 533 Preservation Grants	30,800,000	10,000,000	23,000,000	10,000,000	32,032,000	23,000,000	30,750,720
Subtotal	105,000,000	20,000,000	58,250,000	25,000,000	109,200,000	58,250,000	104,832,004
Rental Assistance Payments (RAP)	414,100,000	258,000,000	308,100,000	190,200,000	430,664,000	308,100,000	413,437,440
Rural Prepayments/Supp. RAP	5,500,000	11,800,000	11,800,000	11,800,000	5,720,000	11,800,000	5,491,200
Rural Housing Vouchers		189,928,000	0	140,000,000			
Title VII total	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,056,561,000	1,191,580,251
Title VIII—Community Development:							
Community Development Block Grants (CDBG)	3,272,000,000	2,920,000,000	3,400,000,000	2,900,000,000	3,402,880,000	4,000,000,000	3,266,764,800
CDBG Work Study Program	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,120,000)	(3,000,000)	(2,995,200)
Historically Black Colleges	(6,500,000)	(4,500,000)	(4,500,000)	(4,500,000)	(6,760,000)	(4,500,000)	(6,489,600)
Insular Areas	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,280,000)	(7,000,000)	(6,988,800)
Comm./Univ. Partnership					[2]		[2]
CDBG Redevelopment Provision					[2]		[2]
CD Comm. Planning Adjustments					[2]		[2]
CD Reallocations and Tech. Assist.					[2]		[2]
CD Mapping Provision					[2]	(500,000)	[2]
Section 108 Loan Guarantees	(300,000,000)	0	(140,000,000)	0	(312,000,000)	(300,000,000)	(299,520,000)
Special Purpose/Projects Grants			150,000,000	0	17,160,000)	(14,500,000)	0
Computerized CD Plans					[2]		[2]
Barrier Removal Strategies							15,000,000
Econ. Dev. Evaluations							1,000,000
Neighborhood Reinvestment Corp.	36,500,000	26,900,000	31,900,000	27,976,000	37,960,000	29,476,000	36,441,600
Neighborhood Development Demo.	(2,000,000)	0	(2,000,000)	0	2,808,000		1,996,800
Title VIII total	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	4,029,476,000	3,321,203,200
Title IX—Regulatory and Misc. Programs:							
HUD Research & Development	22,100,000	35,000,000	25,000,000	35,150,000	22,984,000	25,000,000	22,064,640
Fair Housing Initiatives Program (FHIP)	6,300,000	8,000,000	8,000,000	7,600,000	6,552,000	7,600,000	6,289,920
HUD Monitoring & Eval.					[2]		[2]
National Comm. on Manuf. Hsng					[2]	(1,000,000)	[2]
National Institute of Building Sciences	534,000	0		0	0		0
Solar Bank					[2]		[2]
National Amer. Indian Hsng Council					[2]		[2]
Title IX total	28,934,000	43,000,000	33,000,000	42,750,000	29,536,000	32,600,000	28,354,560
Title X—HUD McKinney Homeless:							
Emergency Shelter Grants	138,000,000	71,000,000	73,164,000	17,450,000	143,520,000	17,450,000	137,779,200
Supportive Housing/Transitional Program	150,000,000	150,000,000	150,000,000	203,926,000	187,200,000	150,000,000	179,712,000
Supplemental Assistance (SAFAH) Program	30,000,000	0	11,263,000	0	(31,200,000)	0	0
Sec. 8 Assistance for SROs	82,400,000	0	105,000,000	0	89,696,000	103,926,000	86,108,160
Shelter Plus Care Program:							
II. Rental Housing Assistance	167,200,000	167,200,000	0				
III. SRO's	54,200,000	53,333,000	73,333,000				
IV. Sec. 202	37,200,000	37,200,000	37,200,000				
Revised/Consolidated Shelter Plus Care	(258,600,000)	(257,733,000)	(110,533,000)	265,902,000	269,144,000	265,902,000	258,186,240
Rural Homeless Grants					[2]		[2]
Safe Havens				50,000,000	50,000,000	0	48,000,000
Bush Exemplary Program Initiative		57,000,000	0	0			0
Title X Total	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	537,278,000	709,785,600
Title XI—New Towns Demonstration					[2]		[2]
Total	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	26,337,598,000	28,910,840,161
Use of Carryover Funds/Transfers			762,000,000	320,934,190	0	42,934,000	0
Use of Recaptures (Sec. 202/Other)			1,750,000,000	244,300,000	0	244,300,000	0
PHA Savings				12,000,000	0	0	0
Adjusted total	28,327,165,500	24,934,874,618	25,097,700,608	24,472,919,710	30,094,825,164	26,050,364,000	28,910,840,161
HUD Housing Programs (New BA & Without FmHA Rural)	27,135,599,000	24,162,179,000	24,171,415,000	23,825,798,810	28,853,595,740	24,993,803,000	27,719,259,910

[1]Provides the enacted FY 1992 Appropriations Act funding levels without adjustments for subsequent rescissions or HUD operating plan changes.
[2]Such sums.
[3]10 percent Sub. Hsng.
[4]All Sub. Hsng.
[5]$200m. P.H. Mod.
[6]9 percent P.H. Mod.

Source: Subcommittee on Housing and Community Development.

□ 1200

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

Mr. Chairman, soon after I was elected to Congress in 1966 I came to Washington to see Gerald R. Ford, who was then the minority leader, to discuss committee assignments. He gave me a listing of committees with a definition of jurisdiction. I made the Committee on Banking, Finance and Urban Affairs my first choice.

Banking was important in Columbus. Little did I imagine that Columbus would go from third to first as the banking center of Ohio and achieve its place as one of the preemient banking centers of the United States in the next 26 years.

The Committee on Banking, Finance and Urban Affairs had jusrisdiction of urban mass transportation then. Financing of urban mass transportation in Columbus was a big issue.

The Committee on Banking, Finance and Urban Affairs also had jurisdiction over insurance matters then. Columbus has more insurance company home offices than any other city except Hartford, CT. Then I noted the Committee on Banking, Finance and Urban Affairs had jurisdiction over housing. What could be more important than housing—maybe good health, education, and job—but it is right up there in importance to the needs of the American people.

So I chose the Committee on Banking, Finance and Urban Affairs as my

first choice, and I was thrilled when I got my first choice as an assignment.

In 1990, the administration and Congress working together enacted the National Affordable Housing Act, called NAHA, the first major housing authorization bill in almost 20 years.

I have some feeling of paternalism for that legislation. My significant part came about almost by a stroke of luck. President Bush was in Columbus for a speech. I sat beside him at the head table. As an aside he said to me, "Would you like to go back to Washington with me on Air Force One?" I said yes, not because I wanted to be in Washington, because I had a luncheon talk the next day in Columbus, but I said yes because I wanted to talk to him about housing legislation and this seemed like a beautiful opportuntiy to do that.

I suggested to the President that he arrange a meeting in the Oval Office with Chairman GONZALEZ and Secretary Kemp. I did not need to be there, but I was happy to come, I said.

The next morning the President's secretary called my office to arrange a meeting that day. Well, I was on my way back to Columbus and I thought I had messed up. But the President was understanding and gracious and we met in the Oval Office the following Wednesday. The outline for NAHA was formed.

I know my personal statement sounds presumptious here, and I do not mean it to sound that way at all. Rather I make these personal references to demonstrate my commitment to trying to enact good housing legislation. I make the same commitment to H.R. 5334.

Every single Republican member of the Committee on Banking, Finance and Urban Affairs signed the minority views accompanying H.R. 5334. These views are printed in the report, so I will not refer to them, but those views express reservations about the bill. Most of the objections, may I say, have been satisfied.

This bill addresses the significant issue of mixed populations in public and assisted housing. This is an important issue that needs to be addressed now. I have received numerous complaints from senior citizens mostly in section 202 projects who are frightened and disturbed by clashes with young mentally or physicially disabled people who have different lifestyles.

The gentleman from Wisconsin [Mr. KLECZKA], the gentlewoman from New Jersey [Mrs. ROUKEMA], and I all had amendments to correct this, which the chairman helped merge into one and then he supported it. Our amendment simply allows local housing authorities and owners of multifamily assisted housing to provide a preference for low-income elderly, low-income disabled and low-income handicapped. If for no other reason, I think this legislation ought to be passed today to address this important issue.

Also included in the bill are three out of five initiatives proposed by the administration: Homeownership vouchers and certificates, safe havens for homeless, and a fair housing demonstration program.

We were concerned about the funding level. We were more concerned when H.R. 5334 started at $36 billion. The gentlewoman from New Jersey [Mrs. ROUKEMA] offered an amendment which passed reducing it to $30 billion. Chairman GONZALEZ has agreed to accept an amendment which we thought was acceptable to the administration to reduce funding by 4 percent across the board to $28.9 billion. OMB says that is still too high. It is about $2 billion over last week's appropriation. I think that funding level has been brought down to a reasonable level.

I agree HOPE ought to be more, but $411 million is a good start.

FHA reform is an area of major heartburn to the administration. HUD wants to retain the 57-percent closing cost language. We lost that fight in the subcommittee and in the full committee. Half of the Republicans voted for it, and half voted against it. The objectionable provision is also contained in the VA-HUD appropriations bill which passed the House last week.

I think the chairman has done an excellent job in explaining the parameters of this bill. I would like to say it has been a pleasure to work with the gentleman from Texas [Mr. GONZALEZ] on housing legislation. I know good housing legislation is uppermost in the gentleman's mind and has been one of his goals since he has been chairman of the Committee on Banking, Finance and Urban Affairs.

Mr. Chairman, I think it is fair to say that we have worked together here to provide good legislation. This bill is not a bill I would present, but it is a good bill, given the dynamics of the situation.

Maybe the concerns of the administration are not all taken care of, but most of them are, and I mentioned those.

Mr. Chairman, I say pass the bill and keep the process moving.

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

□ 1210

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR], the distinguished ranking member of the subcommittee.

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding time to me.

I want to compliment the gentleman and members of the committee and say a special word about the ranking minority leader, who is a great credit to this body, who is retiring, and a great credit to the State of Ohio.

We are proud of, CHALMERS, and all the good work you have done.

Mr. Chairman, every American deserves safe and decent housing. This is what this bill is all about.

In addition, it provides flexible community development money for our cities, large and small. And a provision related to FHA, which rescinds the regulations related to the 57-percent closing cost mechanism, is very important for first-time home buyers who cannot afford all the closing costs.

I want to thank the chairman for supporting the two amendments that I offered in committee, the support of service and planning provisions related to elderly housing, and the land bank provision that is an imitation of a very successful project in my home town of Cleveland, OH, where we have a cornerstone in the redevelopment of neighborhoods in the city, because basically what we do is we take the foreclosed lands and we convert those lands into productive places where we collect the taxes and we, in addition, build new homes on these vacant and abandoned properties.

It has been very, very successful in Cleveland. There have been 41 projects that have started in the inner city, using foreclosed land. And we now have a $40 million more tax base because of that provision.

I want to thank the gentleman for letting us have that, and I hope we can imitate that on a national level. I certainly support the bill.

Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. The bill reauthorizes section 8 and public housing assistance; the Home Investment Partnership Program; the Moderate Housing Program; multifamily housing planning and investment strategies; FHA mortgage insurance and the secondary mortgage market; housing for elderly persons, handicapped persons, and persons with disabilities; rural housing; community development; homeless assistance; and regulatory and other programs.

In considering this bill, I think that we have to keep in mind that all Americans are entitled to decent, safe, and affordable housing. But increasingly, first-time home buyers are unable to afford a home, there are longer waiting lists for public housing, and more people are becoming homeless. Additionally, I think we have an added responsibility in passing this bill. As many of our cities and local areas continue to suffer, this bill really serves as an aid and economic development package for our country.

Let me mention a few specific provisions in the bill. I support the provision to rescind the regulations issued by HUD which prohibit buyers from financing more than 57 percent of the closing costs on a FHA-insured mortgage. I believe that HUD exceeded con-

gressional intent in imposing the 57-percent closing cost restriction.

The 57-percent rule increases the amount of cash that first-time home buyers need to close on the purchase of their first home. For those moderate-income, first-time home buyers who do not have the additional cash for closing costs, but who, under the law, would otherwise qualify for FHA mortgage insurance, the rule make them ineligible for FHA insurance. The 57-percent rule hinders and often eliminates the ability of families and individuals in need of FHA mortgage insurance from realizing the American dream of owning their own home.

The bill also contains my amendment that extends the authority for service coordinators to other Federal housing programs. By extending this authority, I intend that supportive service and planning provisions be an integral part of the management of elderly housing facilities. This must be done for the approximately 30 million persons aged 65 and older.

Additionally, the bill includes my amendment to provide for up to 5 percent of the funds for other support for State and local housing strategies to be used as technical assistance to develop land banks. Such a program has set the State to eliminate blight and tax delinquency and create jobs and positive tax growth, thus forming a cornerstone in the redevelopment of the neighborhoods of the city of Cleveland. The first purpose of the local project is to collect delinquent real estate taxes. The second purpose is to strip vacant and abandoned property of its tax delinquency and then place the property into the city's land bank. The result is that the city has been able to assemble large tracts of land in blight areas and to make these properties available to developers for new construction. About 60 percent of the construction has been housing for moderate- and middle-income people.

The land bank solves a problem that all major cities are confronting—particularly urban abandonment. Since the land bank started in 1987, 41 projects have started in the inner city using foreclosed land. The city of Cleveland has been revitalized. Over $40 million in tax delinquencies, plus debris-ridden lots will be eliminated and new jobs will be generated. The program has been picked as one of 73 semifinalists out of 1,622 candidates for a Ford Foundation innovations in State and local government award. The prosecutors office, county treasurer, Gaul and city of Cleveland deserve much credit for this innovative program.

Again, Mr. Speaker, I urge my colleagues to support H.R. 5334, the Housing and Community Development Act of 1992.

Mr. WYLIE. Mr. Chairman, I yield 6 minutes to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA], the ranking minority member of the Subcommittee on Housing and Community Development.

Mrs. ROUKEMA. Mr. Chairman, I rise today as the ranking member of the Housing Subcommittee to express my support for H.R. 5334, the Housing and Community Development Act of 1992.

Mr. Chairman, throughout the entire process of the formulation of this reauthorization legislation there has been a concerted effort to continue to stress the importance of housing issues and to achieve a bill. This legislation is the culmination of efforts begun over 2 years ago when this body first passed the Cranston-Gonzalez National Affordable Housing Act.

As one of the leaders in this effort, I want to congratulate and commend the chairman of the committee, Mr. GONZALEZ, for his total dedication and commitment to housing legislation.

It has been a pleasure working with him. The courtesy he extended to the minority, and especially this Member, and his willingness to hear and accept many of our concerns and initiatives is much appreciated.

I also want to commend the work of the majority staff, especially Frank DeStefano and Ms. Dana Fisher for their willingess to work with the Minority staff in crafting this bill.

Finally, I want to recognize and commend our ranking member, CHALMERS WYLIE, for his strong effort to achieving this bipartisan bill. Unfortunately, our colleague, the gentleman from Ohio, is managing his last housing bill today and I know we will all miss his counsel and his commitment to housing legislation in the years to come.

HOUSING BILL

H.R. 5334 represents the first reauthorization of the most significant change in the direction of national housing policy since 1974. These changes were made through the passage of the Cranston-Gonzalez Housing Act 2 years ago.

H.R. 5334 continues the clear direction for national housing policy set 2 years ago.

This Housing Act continues to recognize the need to provide safe, decent, and affordable housing for our less fortunate citizens and continues the commitment of the Federal Government to achieving that goal.

Is this bill perfect? Hardly.

Is it free of controversy? No.

Does it have the support of the administration? Perhaps not at this time.

Nevertheless, I believe it is a good bill which does deserve our support.

Although the administration does not support this bill at this time, I wish to highlight my perspectives with respect to some policy issues where differences remain.

First, this Member does not share the belief that H.R. 5334 although I agree with their judgment on FHA and represents a significant departure from the National Affordable Housing Act passed 2 years ago nor does it represent a major course change.

H.R. 5334 should proceed through the legislative process with the Secretary's concerns noted. Attempts to meet many of those concerns have been made and many have been accepted by the majority. For this, I want to commend the chairman.

Members of the minority side can support this legislation on its merits and in recognition of the programs which have strong Republican support such as the HOME Investment Partnership Program, the CDBG program, McKinney Homeless Assistance, Family Self Sufficiency and increased funding for the elderly and handicapped.

H.R. 5334 includes several positive initiatives requested by the administration and put forward by this Member during our subcommittee and full committee markups.

These initiatives include a proposal to allow individuals who are eligible for section 8 assistance to use their certificates for homeownership.

Another initiative created the Safe Havens Program which would provide assistance for homeless persons unwilling or unable to participate in more structured homeless assistance programs.

The bill also provides opportunities for low-income individuals to move out of areas of high concentrations of persons living in poverty to areas of new opportunities for becoming more economically independent.

Another important change made by this bill is the consolidation of the eligible activities of the permanent housing, transitional housing and SAFAH programs of the McKinney Act into one single program.

Currently, applicants for each of these program funds must engage in a very complex application process which requires them to apply for several different programs, each with a limited amount of funds.

In testimony before our committee, provider flexibility groups such as the National Coalition for the Homeless recommended that these separately funded components of the program be merged into one for the purpose of streamlining the application process and allowing the applicants to develop much more precisely structured programs knowing that their efforts will not be shortchanged by limited funding levels for the various program elements.

The consolidation maintains all eligible activities under the current program, adds a new SRO component as an eligible activity and maintains the same funding levels.

If we are to continue to address the issue of homelessness in this Nation, we must streamline the application

process and stretch each dollar we appropriate to its maximum. This bill accomplishes that goal.

Finally, H.R. 5334 addresses the critically important issue of mixed populations—that is the housing of the handicapped and disabled with the elderly.

I want to commend our colleagues, Mr. WYLIE, Mr. KLECZKA, Mr. DONNELLY, and Mr. FRANK for bringing this issue forward and for working so hard with this Member and others to bring about a reasonable solution.

The overall problem we face even before getting to this specific issue is the fact that there are some 1.5 million low-income individuals on waiting lists for public housing around the Nation. There is neither enough public housing units available nor funds for section 8 certificates.

Unfortunately, the problem of the deinstitutionalization of the mentally ill continues to persist and effect our housing programs. When an individual is released from a State or community mental health facility or a rehabilitation program, they can become eligible for public housing or section 8 assistance.

I have long expressed my disagreement and anger with those States who continue these deinstitutionalization programs. Many of our States and local communities continue to release mentally ill people from their institutions without adequate preparations for the continued shelter and care of these programs.

Unfortunately, HUD has no control over State or local institutions which deal with the mentally ill, the handicapped or those recovering from alcohol or drug addiction and because the Congress has passed several laws aimed at helping the disabled and handicapped by giving them a preference for federally assisted housing a public housing authority is bound to place these individuals in public housing units when a vacancy appears.

Over the years, public housing authorities have found it convenient to place handicapped and disabled individuals into elderly dominated buildings for several reasons which is now beginning to result in a changing environment for our senior citizens.

The legislative remedy in our housing bill represents a fair and balanced approach to this issue as far as housing is concerned.

It is not perfect. By its nature it won't solve all of the problems but it does not provide a positive solution to this problem. More needs to be done, however, before these individuals even get to the point of needing housing.

Other committees of this body must become more insistent that States and local agencies do a better job in the proper planning for the shelter, medical and social welfare of these persons before they are released into an unexpecting society. Fundamentally this is not a housing problem.

In an effort to address the issue, H.R. 5334 permits PHA's and private federally assisted apartment owners to designate entire buildings or portions of buildings as elderly only; handicapped only or mentally ill only.

It permits, for the first time, the PHA's and private apartment owners to skip through their waiting lists to find elderly applicants for units which become vacant. If no elderly person can be found on the list, the PHA's can next offer the unit to the near elderly, that is, those 50 years of age or older.

In return for this, the PHA is required to submit a plan to HUD which would profile the makeup of the PHA's current waiting list; provide an estimate of anticipated vacancies over a 5-year period which would continue to justify the designation of buildings as necessary for the elderly, handicapped and mentally ill; a statement of the amount of public housing new development, section 8 and modernization funds may be necessary to address the profile.

The bill also directs the PHA's to submit requests for section 8 assistance to take care of the needs of the handicapped or mentally ill who would be disadvantaged by the designation of elderly buildings.

It requires a set-aside 5 percent of a PHA's new development and modernization funds for the development and/or modernization of units for the handicapped or mentally ill.

It commits 5 percent of the amounts reserved for major reconstruction of existing facilities for the reconfiguration of units for use by the mentally ill and handicapped.

It permits the PHA's to apply for funds for service coordinators to help find the types of assistance required by the elderly, handicapped and mentally ill.

In addition to these provisions, the bill requires:

Each community receiving HOME funds to include in their comprehensive housing strategy [CHS] a description of the nature and extent of the housing needs of the elderly, handicapped and mentally ill individuals in their jurisdiction and how the community intends to use portions of their HOME allotments to provide housing for these persons.

And, it requires HUD to provide a clearinghouse for information on housing alternatives which may be available to the elderly, handicapped and the disabled.

In sum, this problem should never have occurred and should not be further exacerbated by State and local policies. It is simply not fair to our elderly and is not fair to our handicapped and disabled.

I intend to work with the Health Subcommittee of Energy and Commerce to reach a more comprehensive resolution for the grossly neglected mentally ill.

Several additional initiatives were included in H.R. 5334 which should be supported as good Republican family-oriented programs.

For example, the legislation makes several improvements to the Family Self Sufficiency Program, including funds for family investment centers which will help lower income individuals achieve economic independence through employment counseling, job training and education.

The bill also funds one-stop perinatal care demonstration projects, and early childhood development centers to assist families with the care and education of their children.

The bill also provides for a rural homeless assistance program for areas where traditional McKinney programs are not available.

Finally, Mr. Chairman, I want to address just a few additional initiatives.

AUTHORIZED FUNDING LEVELS

The authorized funding level of $28.2 billion in H.R. 5334 represents a responsible compromise from the bill's original price tag of $36 billion. The funding level represents a modest increase of 4 percent over the appropriated levels agreed to by the Congress for fiscal year 1993 and is the result of an amendment I first offered in full committee and a subsequent one proposed by Mr. WYLIE.

HOME

Perhaps the most innovative program to be enacted in NAHA was the HOME investment partnership. The intent of this block grant program was to allow State and local communities to exercise maximum flexibility in developing local housing strategies and to use Federal funds to meet those strategies. This program was well received by the States, cities, and local communities as a positive step to encourage solutions to the problem of providing affordable housing.

Unfortunately, the original committee print greatly underfunded the HOME programs.

Through the efforts of this Member, H.R. 5334 now authorizes the HOME Program at $2.1 billion.

The HOME Program was designed as a partnership and required that those States and local communities wishing to participate in the program provide an adequate financial commitment to match the Federal contribution. Last year, the Congress over the objections of this Member, voted to provide a blanket waiver of the matching requirement. This year, the match is reinstituted and required.

In changing the current, cumbersome three-tiered match, which discouraged innovation, to a flat match, the committee accepted the recommendations of many of the participants for simplification. And while a flat match is

more efficient, the original 10 percent level included in the committee print was unacceptable. Through compromise, the bill now contains a more acceptable 20 percent flat match.

HOPE HOME OWNERSHIP

With respect to funding for the Secretary's Home Ownership Program [HOPE], I have yet to find any Member who does not support the concept of providing home ownership opportunities for our low-income families. The point of departure between many Members and the Secretary of HUD is the financial commitment we should be making to this program as it gets off the ground. In addition, converting scarce public housing rental units into ownership units, while laudable where appropriate, actually reduces the number of rental units in the inventory at a time when there are over 1.5 million applicants on the waiting lists for public housing. We have competing needs. A new program of this magnitude must be phased in—the potential for financial loss exists.

H.R. 5334 authorizes just under $400 million for HOPE. Given the infancy of this program and the many remaining unanswered questions about its effectiveness, this funding level is more than adequate to support a measured and methodical development of this concept and to achieve the goals of the Secretary.

FHA REFORM

The so-called 57 percent allowable closing cost issue for FHA insured mortgages was a rule initiated by the Secretary as a way of lowering the default rate and thus helping rebuild the financial strength of the FHA insurance fund. This rule was promulgated under the additional discretion NAHA gave the Secretary to restore the health of the FHA.

The prohibition on implementing this rule, which is included in H.R. 5334 and the appropriations bill, is, in this Member's belief premature at best. I believe the committee is simply wrong in second guessing the Secretary on this matter. But the interest group pressure has been too much.

In conclusion, the need to reauthorize the very important housing programs in NAHA which benefit the poor, the elderly and the handicapped, and the adoption of several new initiatives, such as the mixed population issue, the consolidation of the McKinney program and others, should far outweigh the omission of the few remaining initiatives supported by the Secretary.

Republicans who argued in support of the Kolbe amendment during the VA-HUD appropriation bill that poor people really do matter, should support this legislation.

Mr. Chairman, the renewed commitment to housing embodied in H.R. 5334 addresses the plight of both the low income renter and the first-time home buyer. This housing bill, while not perfect, is a step in the right direction.

Our problems are formidable. But our task is manageable.

I urge support for this legislation.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

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

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

Mr. PANETTA. Mr. Chairman, I thank the committee for doing a targeted CDBG in the areas affected by defense closures. That has been very helpful, and I thank them for that.

Mr. Chairman, I rise today in strong support of H.R. 5334, the Housing and Community Development Act, and in particular a provision contained in the bill to assist communities affected by the closure of a military installation or a major reduction in defense contracts.

I would like to commend the House Committee on Banking, Finance and Urban Affairs for providing assistance to communities who must have access to Federal programs to recover from sharp reductions in defense spending or the closure of a military installation. Many of these communities will experience unemployment double or triple the national average. Severe reductions in economic power, population flight, shifts in the housing market, school closures and additional peripheral impacts will be common symptoms of these communities.

The Housing and Community Development Act will amend section 107 of the Community Development Block Grant Program to make eligible nonentitlement local governments to participate in the Special Project Grant Program. As you know, many of the larger local governments and large cities are already able to receive direct Federal aid through their entitlement status. Unfortunately, the smaller communities, where many companies in the defense industry and military installations exist, are not entitlement areas.

The Special Project Grant Program currently is available to areas requiring technical assistance. The bill we are considering would make available special purpose grants to nonentitlement local governments affected by one of three circumstances: First, a proposed or actual closure of a military installation, second, the cancellation or termination of a Department of Defense contract, or third, a major reduction in defense spending that would directly affect local governments and result in the loss of 1,000 or more full-time defense employees.

The communities affected by a future base closure or sharp cuts in defense spending will have to cope with several different challenges within a small economic base. Most communities affected will have few other industries to rely on for future growth. Peripheral industries and services will be affected, with corresponding defense cuts and layoffs. The Community Development Block Grant Program offers the required flexibility to allow individual communities to construct a comprehensive economic recovery plan to mitigate the strong impacts associated with a base closure or reductions in defense spending.

We must allow those communities who will be confronted with these challenges an opportunity to recover. I again would like to urge my colleagues to support the Housing and Community Development Act.

Mr. SCHUMER. Mr. Chairman, first I would like to thank the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] and their staff, led by Kelsey Meek and others, Frank DeStefano, for the good work that they have done.

Mr. Chairman, we have before us a bill that is a product of long hours of negotiation, many hearings. It is a compromise bill, and we have tried on the Subcommittee on Housing and Community Development, under the leadership of the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE], to come up with compromise proposals.

There are lots of things in here that I wished were not that were in. There are some things that I wanted in that are not in the bill. No one is perfectly happy.

□ 1220

It is very important that we go forward with a bill that will make substantial improvements in our ability to provide Americans with safe, affordable housing.

In my area in New York City it seems we are beginning to get some small handle on some of our urban problems. The crime rate has gone down 6 percent. The economic recession, while we are not moving back up, seems to have bottomed out.

However, the problem of housing seems to get greater and greater and greater. The number of homeless on our streets seems to multiply. The young family looking for a home that they can afford seems to be as out of luck as could be. The number of seniors in my area who have lived in their apartments and now need a new place to live because the landlord is using those apartments for something else seems to grow.

Mr. Chairman, we need to get a handle on housing. If I had one regret, due to no fault of the leadership of the committee, it is that this is not enough. We do need more. Nonetheless, this is a small step on the road to get us back in shape in the housing area.

The bill includes a number of specific provisions which I am grateful were included, and which I thank both sides of the aisle in committee for supporting.

FHA limits for multifamily buildings are increased to a realistic cost limit, so that builders can start to use this program again to construct multifamily buildings in our cities.

The ceiling rent program is made permanent, which prevents public housing rents from skyrocketing for working families, a practice which in the past has driven the most stable families out of public housing in search of more affordable housing.

Furthermore, the bill gives local authorities enhanced flexibility in estab-

lishing local preferences to admit families that will contribute to a socioeconomic mix in public housing.

There are others—too many to mention here—but rarely have I seen a bill move through subcommittee and full committee with so much input from committee members and bipartisan support for their efforts. I want to thank chairman GONZALEZ again, and congratulate Mr. WYLIE on the occasion of his final housing bill. His service to his constituents and in this Congress will be sorely missed.

Mr WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, this Member would like to take this opportunity to commend the distinguished chairman of the Banking Committee and the Housing Subcommittee, the gentleman from Texas [Mr. GONZALEZ] for his untiring effort on housing programs, the distinguished ranking minority member of the committee [Mr. WYLIE], and the distinguished ranking member of the Housing Subcommittee [Mrs. ROUKEMA] for their efforts to bring this measure to the floor today. Their efforts toward better, more affordable, more accessible, and more cost-effective housing programs are widely known and appreciated. For purposes of legislative history this Member would like to briefly address several items in H.R. 5334 on which I've had some involvement. This Member once again wants to recognize in the year of his retirement the distinguished colleague from Ohio, Mr. WYLIE, for his outstanding contributions in housing legislation, and every area of the Banking Committee's jurisdiction.

Mr. Chairman, H.R. 5334 contains a provision relating to the Farmers Home Section 502 Loan Guarantee Program. This program provides loan guarantees for the purchases of a home by middle income home buyers. Currently, only those potential home buyers whose income is between 80 and 100 percent of median income is between 80 and 100 percent of median area income are eligible for the program. The provision in H.R. 5334 raises that limit to 115 percent of median area income to be comparable with existing law for the HUD program for citizens living in larger communities. Thus, this inequitable treatment of residents in small communities and rural areas would be eliminated. This is a needed and important change, Mr. Chairman. For far too long those middle income home buyers in rural areas have been at a disadvantage compared with their urban counterparts. This provision simply provides some equity for rural citizens. Those earning 115 percent of median income in rural areas certainly are middle income in every sense of the word and should be eligible for this fine program. I commend the chairman of the Banking Committee, Mr. GONZALEZ, for his assistance in including this provision in H.R. 5334.

Mr. Chairman, this legislation also contains a provision to create a loan guarantee program for our Nation's native families. This program is desperately needed and long overdue. This provision will create a loan guarantee program which will provide a Federal mortgage guarantee for Indian families living on trust lands while protecting the Federal Government by providing adequate liquidation ability for the Federal Government in the event of a default.

As some Members know, the status of trust lands provides that they are not freely alienable, and most lenders are not willing to lend for projects without land to secure the loan. As a result, native families living on trust lands have been effectively shut out of homeownership. This program will provide that the Federal Government will securitize the loan and will make lenders more amenable to lending on Indian lands.

The measure also includes a provision allowing for the Secretary of HUD to liquidate a defaulting account, but placing limits on that liquidation which respect the trust obligations regarding Indian lands. This new provision is the same as section 509(d) in the rural housing provisions of the National Housing Act of 1949.

HUD has expressed some concerns that this new program may duplicate a program already existing under section 248 of the National Housing Act of 1949. However, Mr. Chairman, that program has only been used thus far to secure approximately 12 loans nationwide. It's clear that section 248 is not filling this need. This program will. The secondary market, particularly Fannie Mae, has already expressed interest in this new program.

Mr. Chairman, I hope you and my colleagues will support providing Indian families the same opportunities for home ownership we've provided to other citizens.

Another provision in this measure of great concern to Indian families is the provision allowing Indian housing authorities to opt into the Family Self-Sufficiency Program. Because of the unique and sometimes isolated nature of Indian country, it is not always feasible for Indian housing authorities to establish a Family Self-Sufficiency Program. This fact has wisely been noted by the authorizing committee. However, it is only equitable and just that those Indian housing authorities that do have the supporting facilities and infrastructure to run a Family Self-Sufficiency Program have the option to do so. I commend the committee for including this provision in H.R. 5334.

Mr. Chairman, I am quite pleased to note that H.R. 5334 contains a provision providing added responsibilities and authority to the administrator of Indian programs within the Department of Housing and Urban Development. This added authority includes oversight of the Indian Community Development Block Grant Program as well as all HUD Indian housing programs. For far too long Indian housing and CDBG programs have been run by separate departments within HUD. The special nature of Indian country makes CDBG funds more vital than nearly anywhere else in the country for the success of any housing program. Much Indian land is very remote and no supporting infrastructure exists at all. By combining housing and CDBG oversight and management into one office we will be placing the expertise and understanding of the interdependency of housing and community development programs in one office. This will facilitate better, faster, and less expensive coordination of Indian programs.

Mr. Chairman, the National American Indian Housing Council has been providing Indian housing authorities with training and technical assistance for some time now. By all accounts they have done a phenomenal job. H.R. 5334 provides $500,000 for the NAIHC to continue their fine work in both fiscal 1993 and 1994.

You will note, Mr. Chairman, that this is the same amount as the appropriators provided for NAIHC in fiscal 1993.

Finally, Mr. Chairman, there is an amendment to H.R. 5334 which has been accepted in the en bloc leadership amendment which I, along with my colleagues, Mr. RIGGS and Mr. FRANK, offered in response to a report issued by the Department of Housing and Urban Development. That report, known as the NIMBY report or not in my backyard: removing barriers to affordable housing, is an effort to address and respond to the not in my backyard syndrome and the resulting barriers to affordable housing that spring from overregulation.

At issue in the report is whether State and local land use controls, plus rent control and environmental laws, play a role in restricting affordable housing. A further related issue is whether the Federal Government should play a role in eliminating such controls.

One of the chief recommendations of the HUD study was that Congress link Federal housing assistance to regulatory barrier removal in order to provide more affordable housing. This "carrot and stick" proposal would have provided rewards in the form of community development block grant funds to States and localities which removed barriers, and assessed penalties by withholding Federal assistance from those units of government that left barriers in place.

The stick aspect of this approach—the withholding of Federal assistance—

seemed to me and to many others the wrong approach, particularly if the wrong Federal programs are used. Take, for example, the CDBG Program that is a funding source available to communities to use as they see fit. These needs differ from community to community—some using the funds for housing, and others using the funds to improve or build new infrastructure projects as so many of our smaller communities have done. Withholding CDBG funds from communities that are found to have regulatory barriers ignores the specific needs of a community. In some communities, infrastructure apparently is a more important priority than housing. Housing must be supported, of course, with adequate infrastructure. Withholding CDBG funds does nothing to improve housing conditions. Furthermore, because communities housing and infrastructure needs vary so widely, it seems unwise for the Federal Government to determine what is an unacceptable barrier and what is not.

The amendment Mr. FRANK, Mr. RIGGS, and I offered, and which was included in the leadership en bloc amendment, provides a more acceptable answer. It is all carrot and no stick. It rewards communities that remove barriers, but does not penalize communities for the existence of what HUD may perceive as barriers, which may in fact be legitimate regulations needed by the community, thereby exacerbating a housing shortage and quite possibly causing a decrease in quality of the infrastructure supporting the housing that is available.

The amendment's bipartisan support is demonstrated by the participation of myself, Mr. RIGGS, and Mr. FRANK in offering the amendment, and its inclusion in the leadership amendment. Also, the Department of Housing and Urban Development has signaled its support for the amendment.

While some aspects of the NIMBY report may remain controversial, this amendment effectively deals with at least some of the goals of that report in a constructive, bipartisan manner.

Mr. Chairman, I thank you for the opportunity to discuss these important provisions of H.R. 5334.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, today the House has the opportunity to vote in support of a measure that, if enacted, will improve the quality of life for millions of Americans who reside in public and federally assisted housing projects. I rise to express both my support of this measure and my thanks to Chairman GONZALEZ for his hard work and continued commitment to addressing critical housing needs.

Today, we face a severe shortage of low-income housing. This bill addresses the problem through renewed attempts not only to rehabilitate old housing, but to increase construction of new housing. Furthermore, this measure authorizes funding to provide low-cost mortgage financing and downpayment assistance to a growing number of Americans who wish to purchase homes, but cannot afford to. It provides $30.1 billion for essential housing and community development programs, including $3.4 billion for the Community Development Block Grant Program.

But aside from offering creative ways for low-income Americans to obtain housing, this bill includes many provisions that will make life more livable for those who already reside in Government-funding housing.

Embodied in this legislation is compromise language which hopefully resolves a problem that has plagued our elderly public housing. For years now we have been mixing disabled and chronically mentally ill with our elderly.

Clearly, this has not worked out for the lifestyles of these groups are often incompatible.

In communities facing a rapid rise in deinstitutionalizations, elderly housing has become a convenient designated home for all those who have nowhere else to go. Managers of these facilities report assaults, vandalism, and a growing number of bitter disputes among residents. These problems have been particularly acute in my hometown of Milwaukee, where elderly residents often live in fear, and the disabled do not get the help they need.

Many Members have approached me citing their local horror stories and asking help in seeking a resolution. Mr. DONNELLY and I each introduced separate bills on this matter.

When the committee started crafting this Housing and Community Development Act, all parties concerned, with the help and encouragement of Chairman GONZALEZ, met to develop a compromise.

I would like to extend my thanks to Representatives CARPER, DONNELLY, FRANK, GREEN, ROUKEMA, VENTO, and WYLIE, in addition to the Housing Subcommittee staff, for their hard work and commitment during this effort.

Our final proposition strikes an equitable balance between the rights of both elderly and disabled, and in addition provides social services that will meet the needs of each group.

The provisions of the compromise would:

Allow public housing authorities to designate housing for elderly, disabled, or handicapped only.

Require public housing authorities to submit a HUD-approved allocation plan, devised after an extensive review of current housing stock, composition of waiting lists, vacancies, and vacancy trends, that will outline how the project will meet the needs of each group.

Allow managers of federally assisted housing to establish a preference for elderly residents.

Require these managers to retain 10 percent of units for the disabled—or the lesser percentage of units occupied by the disabled at the time of enactment or January 1.

Extend assistance of service coordinators in public and federally assisted housing to disabled, as well as to elderly residents.

I am proud to have played a part in hopefully resolving this critical problem. These changes are fair and sensible to our elderly and disabled citizens.

This and the major housing and community development aspects of H.R. 5334 clearly deserve our support.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise to enter a colloquy with my colleague, the gentleman from Wisconsin [Mr. KLECZKA]. He and I have worked on this very vexing problem. I think we are treating all parties here, the elderly and the mentally ill and disabled, unfairly.

I made reference in my statement to going to the other committees of jurisdiction. Really, this is a health issue that should not be foisted on Federal housing policy.

I would like to ask the gentleman from Wisconsin if we could work together with the Committee on Energy and Commerce and the Committee on Ways and Means in trying to effect a resolution of the outstanding issues, because we in the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs cannot do this alone. We in housing legislation need their help.

□ 1230

These unfortunate people are being put out on the street with improper health care and no housing.

Mr. KLECZKA. Let me indicate to the gentlewoman that I pledge my efforts to work with the gentlewoman from New Jersey and others on the committee, and know full well, as I indicated in my statement, that it is convenient just to dump these people off. I fully support taking individuals out of institutions where the cost of care is very, very expensive and putting them into public housing, but follow up with some services. And that is what is really lacking today. I thank the gentlewoman for her help.

Mrs. ROUKEMA. We are in agreement on the merits of deinstitutionalization however, dumping these patients into public housing has no place in a civilized contemporary society, and I look forward to working with the gentleman.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding me the time. I too would like to pay tribute to the gentleman from Ohio [Mr. WYLIE], the ranking member of the Committee on Banking, Finance and Urban Affairs. He has been particularly considerate and accommodating to this new Member of Congress, and I thank him for those considerations.

As a member of the authorizing committee, I join with my colleagues on the other side of the aisle in expressing some ambivalency about the bill, but qualified support for its passage, because while the bill may be imperfect, it is the product of a bipartisan compromise, and it does continue us in the right direction. It is also premised on the belief that safe, decent housing is a basic human right, and it is a basic right of all Americans. And furthermore, it continues some successful approaches that have evolved out of the National Affordable Housing Act authorized by Congress 2 years ago. One that particularly excites me is the idea of taking a holistic approach to helping the homeless become productive, contributing members of society again.

But I would like to focus for just a moment on the amendments that I have in the bill that have been graciously accepted by the chairman as part of his leadership en bloc amendment. One is an outgrowth of Secretary Kemp's housing commission on the removal of regulatory barriers to affordable housing. Our NIMBY amendment, as it is called, that I offered in both subcommittee and full committee, and joining with me is the gentleman from Massachusetts [Mr. FRANK] in offering it in the context of this bill, would create a set-aside with $15 million in community development bloc grant funds to help States and localities, local units of government develop strategies for the removal of regulatory barriers to affordable housing. That is a particularly acute problem in my home State of California, and I strongly support this legislation as someone whose congressional district contains 2 of the 10 most expensive and least affordable housing markets in the country.

The other amendment, having been accepted into the leadership en bloc amendment that I believe is a very positive step in the right direction, albeit a very small starting step, is the idea of public housing perestroika, allowing tenant management in the most distressed public housing agencies in America today. I do believe in using this bill as a starting point, as a base. We do need to go further, and we need to look at full perestroika that would also permit tenant ownership in those distressed public housing agencies. And I am particularly referring to the Philadelphia public housing agency which was recently seized by the Federal Government, and the District of Columbia public housing agency here in Washington which has been beset by problems pertaining to mismanagement and fraud. In fact, those problems have been illuminated by another committee of this Congress. The gentleman from California [Mr. LANTOS] in his Government Operations Committee has focused on the systemic fraud problems in the District of Columbia Public Housing Authority.

So I encourage us to go further, again using this bill as a starting point. And I commend this bill to my colleagues for their support.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I rise in very strong support of H.R. 5334. Two years ago the Cranston-Gonzalez National Affordable Housing Act began to reverse a decade of neglect and retrenchment, and reasserted this Government's duty to ensure that every American has a decent place to live. And I think the gentleman from Ohio [Mr. WYLIE] and the gentleman from Texas [Mr. GONZALEZ] ought to take great pride in their attempts to stand up for the poor and the working people of this country, and standing up for the housing needs of those people.

The fact is that as we look around our country today, despite the efforts that are going to be made in this bill, there is still an enormous amount of homelessness that exists in this country. There is an enormous amount of working people and poor people that pay extraordinary amounts of their own personal income to try to put a roof over their heads and put a roof over their children's heads. They pay 30 percent, 40 percent, 50 percent, and even 60 percent, and 70 percent of their income to simply provide for decent and affordable housing.

Yet, we have seen in this Government over the course of the last decade a real abandonment in the housing needs of the working people and the poor people of this country. In 1980 this country spent something on the order of $30 billion building affordable housing, building over 300,000 units of housing. Yet in just this past year we are going to be calling in this bill as we know to spend $30 billion, but the reality is that $4 billion or $5 billion of that is going to be spent on FHA programs that would not have been spent in 1980, and we see billions of dollars more that have been eaten up through the process of inflation. So when it comes down to how many housing units we actually build to house the needy people of this country, we see it drop substantially.

We also see the fact that we hear a lot of politicians stand up before the American people today and make a great plea that we provide home ownership to the poorest and the most vulnerable citizens of this country, and certainly home ownership is an issue that everybody in their right mind is going to be in favor of. But it has to be done responsibly. It has to be done with a sense of what is really needed by these ordinary people if they are going to be able to maintain those homes and they still do not have good jobs.

Mr. Chairman, I also want to thank the chairman for the effort that he has made in putting into this bill the home built programs which I have done with my good friend, MAXINE WATERS, from the great State of California that will provide the young people of our inner cities with the opportunity to learn a skill, go to high school and at the same time build affordable housing in this Nation.

I also want to thank him for the efforts he has made in standing up for community-based organizations' and the nonprofits' abilities to continue to build affordable housing, and the requirement that we make sure that most of the people that serve on those boards of directors come from the local communities and have a great interest in the building of that affordable housing. I want to thank him for the efforts he has made on the plans of action in terms of those individuals who would be thrown out of their homes had you not successfully renegotiated the contracts that had come due by expiring over the course of the last year. So I want to thank the chairman for his efforts.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise in guarded support of this legislation. Last week during the debate on the HUD-VA appropriation I expressed my concern about the inadequacy of funding for the HOPE and the HOME programs. The same is true here today in this authorization bill. The amount is totally inadequate, less than half of what is currently authorized. Still, it is much better than it started out, which was at zero. At least it has been authorized at $411 million, and that is something over the amount we appropriated in the bill on the floor last week.

I am also pleased that there is a reduction in the amount of the total authorization from $36 billion to $28 billion. But what is most important in this bill is the fact that the FHA provisions in this legislation are similar or almost identical to what we passed in the appropriation bill last week.

Most important for communities, like my own, would be the increase in the limit for FHA financing to 75 percent, conforming to Freddie Mac. That would increase the loan limit to $151,000. And that, in turn, will make FHA loans available to more purchasers than currently are eligible.

□ 1240

Much work needs to be done on this bill before it can be acceptable, but I

would urge us to keep this process moving. We should vote to recommit to increase HOPE, but also vote "yes" on final passage.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, let me begin by commending my chairman, the gentleman from Texas [Mr. GONZALEZ], with whom I have served for the last 5½ years on the Subcommittee on Housing and Community Development.

We have a great deal of concern as we consider where we are as a nation and priorities that have been set in the area of housing. The gentleman from Ohio [Mr. WYLIE], the gentlewoman from New Jersey [Mrs. ROUKEMA], and others who have worked together to put this bill in place certainly deserve commendation.

I would hope that all of us will support H.R. 5334, because it gives us an opportunity to reprioritize a major area of concern in America. There are so many people who dream about the possibility of home ownership. It is not a possibility for them because of circumstances over which they have no control.

We begin the process today of moving in another direction. We say to the people of this Nation, "We share your dream. We share your desire to be a full participant in trying to stabilize communities, to live in homes where there is necessary assistance that gives you an opportunity for home ownership."

This bill addresses a spectrum of housing needs, those persons who are homeless, those persons who depend upon public assistance housing, those persons who wish to buy a home but cannot find the financing for it.

I am happy there has been a solution and a compromise that has been worked out between the parties, because I think housing is one area where we really do not need partisanism. We need to understand that when our people are not housed, it is our people who suffer, and when they suffer, we begin as a nation to suffer as well.

Let me just commend the inclusion of the New Towns Program which will help to revitalize not only Los Angeles but represents for us a possibility and a model for the revitalization for so many of our communities in this Nation. The stabilization of communities is dependent upon home ownership and upon the citizens who are able to stay in a community.

Revitalization helps in the process of assuring that those persons who are part of the fabric of America know that they have been included. They are not excluded from this new concept of a world order, but they understand that the Nation is concerned that they have a place, that they have a permanent place, that it is their place, that they have some ownership in that place, and I think that helps to make us a stronger nation.

Mr. Chairman, I would like to take this opportunity to thank the leadership for bringing this crucial bill to the floor in such a timely manner. I also thank Chairman GONZALEZ for his consistent hard work in assuring that the bill honestly attempts to adequately meet the multitude of housing needs in America. I believe enactment of this housing bill is the first step in redetermining our national priorities. It is clearly time that housing be recognized as a fundamental necessity in this Nation.

This bill addresses a spectrum of housing needs—from those who are homeless, to those who depend on public assisted housing, to those who wish to buy a home but cannot finance it. The committee worked very hard to compromise and balance all of these needs and it is commendable that they were able to do so.

Finally, I would like to commend the inclusion of the New Towns Program to revitalize sections of Los Angeles affected by the recent riots. This measure has served as a driving force in this year's housing bill. Undoubtedly, the Los Angeles riots served as a wake up call to this Nation as to the failing and ailing condition of life for so many Americans. We must meet the staggering demand for permanent shelter and affordable housing opportunities. We must compensate for years of the administrations' neglect in the housing area. The tragedy in Los Angeles has proven the inescapable result of such neglect.

I urge my colleagues to vote in support of this bill and begin to address the real priorities of this Nation.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. GONZALEZ], in order to enter into a colloquy that he would like me to enter into.

Mr. GONZALEZ. I believe that with reference to Farmers Home Administration regulations, it is my understanding that the FmHA has recently issued proposed regulations to address the issues of cost containment and vulnerability in the section 515 rural rental housing program. Further, I understand that there are several provisions in those regulations which may severely hamstring the effectiveness of the program, and may contravene congressional intent while not addressing the problems of costs and profits which they are intended to address. Two such provisions include limiting the number of preapplications for assistance to five that any one housing sponsor may file nationwide, and excluding from the mortgage any appraised land value that exceeds 3 percent of the total development cost. The first requirement essentially discourages those owners and developers with the best track records, as only one application in four typically is funded. The second limitation effectively raises the required equity contribution above the statutory requirement of 3 percent which we expressly do not change in H.R. 5334.

I had intended to offer an amendment to disapprove these regulations, as I believe that the regulations will harm all borrowers, and also contravene congressional intent, and not simply the offending borrowers. But I have agreed to withdraw it in order to give FmHA time to respond in a final regulation to public and critical comments which I am certain will be forthcoming from all quarters. It is my intention to let FmHA know of my many concerns with the proposed regulations, and it is my understanding that the gentleman from Ohio will join me in that comment letter.

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

Mr. GONZALEZ. I am happy to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, the chairman is correct. I have indicated a willingness to him and to his staff members that I will join in providing critical comments to Farmers Home on the proposed section 515 regulation, and I want to thank the chairman for withdrawing his amendment.

I felt the amendment may be broader and more restrictive than necessary to address the issues of cost containment and vulnerability, and I believe the Farmers Home will honor our comments and is not interested in stifling future rental housing development.

I appreciate the fact that the chairman did withdraw his amendment today and thank him for the opportunity to engage in this colloquy to clarify the intent of the Farmers Home regulations on section 515.

Mr. GONZALEZ. Mr. Chairman, let me say that the gentleman is absolutely correct, and as always in these instances, his reasoning certainly prevailed over our judgment. I, for one, have always been very reluctant to offer statutory language to something that is properly in the administrative rule and regulation promulgation domain. I just hate to do it. And the gentleman from Ohio [Mr. WYLIE] very wisely pointed out the options I have just described. I want to thank him.

Mr. WYLIE. I thank the gentleman.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER].

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

Mr. Chairman, there are a number of reasons to vote for this bill. It comes to the floor with strong bipartisan support in an election year on an issue that can be this contentious. For a housing bill to enjoy the strong support of the Democrat and Republican side, I think, is remarkable, and certainly to the credit of the chairman, as well as the gentlewoman from New Jersey [Mrs. ROUKEMA], the gentleman from Ohio [Mr. WYLIE], and our respective staffs. I commend each of you.

This legislation also reflects the budget realities under which we operate. The expenditures it authorizes are prudent and reasonable.

In addition, this bill contains a number of provisions which are important to the people of my State and to low-income individuals across the country. First, the bill contains a comprehensive and compromise solution to the complex problem of mixed populations of elderly and nonelderly disabled residents living together in federally assisted housing. This issue has received considerable attention in my State of Delaware, and I was pleased to be able to work with Mr. KLECZKA, Mr. FRANK, Mr. GONZALEZ, Mrs. ROUKEMA, and other members of the Banking Committee to design this solution. The importance of this solution is that it addresses the needs of both the elderly and the young disabled—it provides for separate facilities for the elderly, while including numerous provisions to increase the availability of housing for the disabled.

The bill also reauthorizes two programs which Representative KAPTUR and I helped develop in the 1990 National Affordable Housing Act—family self-sufficiency and family investment centers. These two programs will help to bring social services to public housing and section 8 tenants to help them achieve economic independence. In addition, several changes were made to family self-sufficiency to make it more workable at the local level.

Finally, this bill also contains two amendments which I offered—one to ensure that the HOME Program can be used to help poor renters receive security deposit assistance—and a second to ensure that a housing authority in my State can implement an innovative public housing home ownership program and still receive operating subsidies. I thank the chairman and his staff for their assistance in including these provisions.

On a separate note, Representative BARNARD of Georgia had hoped to be here today to engage in a colloquy with Chairman GONZALEZ. On Representative BARNARD's absence, I am pleased to be able to raise an important issue.

As long as the Community Reinvestment Act is on the books, we should try to make it work for things that are desperately needed in our communities such as efforts in education. Does the chairman agree that banks should get credit in their CRA evaluations when they make loans or monetary contributions to finance facilities such as literacy centers, adult education centers, and efforts to prevent school dropouts?

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

Mr. CARPER. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. I agree with the gentleman's belief that credit or financial support extended for needed educational facilities such as literacy centers or dropout prevention should be considered by the examiners. In fact, it is my understanding that such credit extensions are currently considered in CRA evaluations. Such loans should be evaluated as the examiners look at banks' contribution to community development projects—an area covered in the current assessment factors of the regulations adopted by the supervisory agencies. As part of their CRA responsibilities, bank should take advantage of opportunities to finance needed and legitimate educational projects in their communities, particularly in low and moderate income neighborhoods.

Mr. CARPER. I thank the chairman for sharing with us his valuable prospective with which I heartily agree.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act, and, in particular to express my appreciation to Chairman HENRY GONZALEZ, Congressman CHALMERS WYLIE, Congresswoman MARGE ROUKEMA, and Congresswoman MAXINE WATERS, who were leaders in incorporating within H.R. 5334, the Women in Homebuilding Act, which I introduced with my colleague, Congresswoman MARCY KAPTUR. This legislation will provide money to recruit and train low and moderate-income women for construction jobs in their own neighborhoods working on public housing projects.

This legislation is important for its contribution in providing women with avenues to high-wage occupations. It is particularly significant because it targets those women who most need assistance and puts them to work in their own communities. It is also helping to rebuild our aging housing stock while providing them with skills in nontraditional employment.

The majority of working women in this country are concentrated in low-paying jobs, often referred to as the "pink collar ghetto." This provision of H.R. 5334 will reach women living in low and moderate income housing areas and provide them with training and resources to secure work in high-wage construction occupations. At the same time, businesses will receive assistance in creating a nondiscriminatory, highly productive work environment in which not only women, but all employees, can prosper.

Women who are afforded the opportunity to earn adequate wages in male-dominated occupations will be productive contributors to the workplace. Women who have a hand in rebuilding and reshaping their own distressed neighborhoods will be highly motivated to achieve self-sufficiency and success. It is a fact that, by the year 2000, the majority of new entrants into the work force will be women and minorities. Without a doubt, this legislation will provide this country with well-trained laborers which, in turn, will help the United States meet the challenges of the future.

I urge my colleagues to support H.R. 5334.

□ 1250

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. First of all, Mr. Chairman, I want to acknowledge the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] for the marvelous effort they have made on behalf of what is a critical component of urban life.

Most importantly, I want to speak with some knowledge, having been a former mayor of a large community.

Mr. Chairman, I rise to express my support for this important housing authorization bill. I would like to commend Chairman GONZALEZ, Mr. WYLIE, the ranking member of the Housing Subcommittee, and all my colleagues on the subcommittee and the full committee. We have had some very valuable debates in committee on this measure and I am happy that the final version includes language that addresses so many pressing concerns in housing. Let me just address a few of particular concern to me:

The Community Development Block Grant Program is funded at a level of $3.4 million. This is a key program for communities in my district and across the Northeast. We have been suffering through a deeper recession than other parts of America and our mayors and community leaders look to the CDBG Program for assistance each year. These are Federal dollars well spent and I continue to give this program my strongest support.

The McKinney homeless provisions are funded to a level of $735 million. This will give communities a resource as they continue to work to get people off the streets and into decent housing.

This bill provides $2.2 billion for the Home Investments Partnership Program. This will provide grants for cities and States to get people into decent housing. We have lost thousands of affordable housing units in this country since 1980. While this bill can't do the entire job of getting our housing stock back to a stable level, it is an important start. There are 1½ million families on waiting lists for affordable housing in this Nation. We must begin to reduce that shameful total—this bill takes an important first step.

Mr. Chairman, I urge my colleagues to support H.R. 5334.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I rise today in support of H.R. 5334, a very urgently needed housing reauthorization bill.

I want to commend the distinguished chairman—Chairman GONZALEZ—for his leadership and wisdom in moving this bill forward.

I would also like to personally thank Chairman GONZALEZ for being extremely responsive to proposals and concerns which I brought before the Banking Committee during this process.

His leadership on these issues was especially important in the wake of the rebellion in Los Angeles less than 4 months ago.

With Chairman GONZALEZ's cooperation, I was able to include several important programs in this legislation.

Representative KENNEDY and I worked to incorporate a provision to federally authorize YouthBuild, a highly regarded and successful low-income housing rehabilitation program that employs disadvantaged youth.

The bill also includes a community demonstration project that will expand housing in areas affected by the L.A. disturbances.

We have included an expansion of the Moving to Opportunity Program to help those who have had trouble with the law move into more supportive living environments.

We have expanded the Family Investment Centers, the Early Childhood Development Services, and the Family Unification Program, all of which provide critical services for children and families living in public housing.

We have clarified the HOPE Program to ensure that it will not lead to a reduction in affordable rental housing.

Finally, Representative TORRES and I worked to have included in the bill a one-time lifting of the 15-percent cap on public services funding under the CDBG Program for Los Angeles.

Three short months ago Los Angeles exploded in anger. To date, the Federal Government has done next to nothing to address the roots of that disturbance.

The bill before us provides the starting point needed to change the living conditions inside our inner cities.

If fully funded, this bill will go a long way toward creating jobs, rehabilitating old and indecent housing, and expanding the stock of affordable housing.

The key then, Mr. Chairman, is to not only pass this important legislation, but to fully fund the programs it authorizes and expands.

We can do no less to adequately respond to the urban crisis we face.

Mr. WYLIE. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, the statement of administration policy which we received yesterday at the Rules Committee states:

If H.R. 5334 were presented to the President in its current form, his senior advisors would recommend a veto.

I would say that the statement came to me at the last hour and I had not had an opportunity to see it until after we had appeared in the Rules Committee yesterday and supported a rule like the one before us today.

Obviously, from the administration's perspective, this is not a perfect bill. During subcommittee markup and full committee markup, I and many other Members on this side of the aisle indicated that this was not a perfect bill, and we tried to advance the cause pressed by the administration; however, after working with the chairman over the last couple of days and just in advance of this statement of administration policy, we got together on some amendments made in order under the rule which go a long way in addressing the concerns expressed in this statement of policy.

The administration's statement highlighted at least eight points: Inadequate HOPE funding, and we agree with that, but we got $411 million and that is more than was in the bill when it first started.

They objected to a reversal of some of the reforms made to FHA in the 1990 housing bill. I addressed that a little earlier. The provision with regard to the 57-percent restriction on closing cost in our bill is the same as the one passed in the HUD–VA appropriations bill last week.

An increase in the FHA mortgage limits. Again, the increase here is the same as was in the HUD–VA bill passed by the House last week.

The HOME match issue; we tried to address that issue. We compromised on a flat 20-percent match, up from the reported bill of 10 percent.

Elimination of the review of the subsidy layering as required by the HUD Reform Act; that will be addressed in conference. I know the chairman is prepared to consider the administration's suggestion.

Reduction of targeting requirements in the Public Housing Program; we have addressed that in a realistic way.

Restrictions on housing choices for very-low-income tenants who want to become homeowners; we made the modifications their way.

Aggregate funding levels is way down, as I indicated a little earlier, down from $36 billion to $28 billion.

So, Mr. Chairman, with the exception of the HOPE funding and the FHA issues which this body debated just last week in the HUD–VA appropriations bill, I am convinced that we have addressed in some way the other concerns of the administration in whole or in part in the en bloc amendments, which will be offered a little later on and which I predict will be overwhelmingly passed.

So I believe that the bill before us today, with the en bloc amendments, is a good bill. I am confident that it will pass and that it will keep the process moving. If the administration has some concern after we act today, we will try to get together in conference on those concerns, but I urge adoption of the bill before us, Mr. Chairman.

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

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. COX], a member of the committee and of the subcommittee, and a very effective one.

Mr. COX of Illinois. Mr. Chairman, I would like to begin by saying that as a new Member of the House and a member of the committee, I have come to really respect the gentleman from Ohio [Mr. WYLIE]. I just want him to know that his presence will be missed here.

Mr. Chairman, I rise today to express my strong support for the Housing and Community Development Act of 1992. I believe that our cities have suffered deeply over the past decade, and many American communities are sorely in need of housing and community development assistance.

The bill includes several measures to expand the national supply of affordable housing. For example, it makes the FHA program more accessible to low- and moderate-income families, and it makes the Federal HOME Program easier for cities to utilize. In addition, the funding level of almost $2.2 billion for the HOME Program reaffirms Congress' commitment to this public-private partnership designed to leverage limited Federal housing resources.

Further, this bill addresses the countless problems that housing authorities in Illinois have had with elderly and nonelderly disabled residents living in the same housing developments. This bill will bring relief to the behavioral problems of these mixed populations by providing service coordinators to serve the different populations, improving the screening process, and improving security, management training, crisis intervention, and substance abuse elimination.

I commend the chairman and my colleagues on the Banking Committee for their work in crafting this bill. I hope that it will receive overwhelming support.

□ 1300

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Chairman, I rise in strong support of H.R. 5334, and I would like to express my appreciation for the inclusion of the YouthBuild provision.

Mr. Chairman, I rise in strong support of H.R. 5334, the Housing and Community Development Act of 1992.

I want to thank Chairman GONZALEZ, Representatives WATERS and KENNEDY and other members of the committee for incorporating in H.R. 5334 the provisions of legislation I introduced (H.R. 501) to authorize assistance to YouthBuild job training and housing development programs. YouthBuild is an exciting, national grassroots initiative which creatively addresses the twin crises of youth unemployment and homelessness in poor communities throughout the United States.

Section 165 of H.R. 5334 would authorize assistance to support YouthBuild projects which provide disadvantaged youth with education, skills training, and job experience in the construction or rehabilitation of housing for homeless and other low-income people.

At least 75 percent of the participants in each YouthBuild project must be economically disadvantaged high school dropouts between the ages of 16 and 24—persons who are frequently unserved by other job training programs and who are among those with the greatest difficulties in the job market. The remaining 25 percent of participants could be other young people who are not disadvantaged or who are high school graduates who have educational needs despite their attainment of a degree. This is an option and not a requirement; programs could, if they chose, elect to serve only economically disadvantaged youth. Every program would also have to undertake special recruitment activities to attract the participation of young women, ex-offenders, foster care youth, and youth who are homeless.

YouthBuild participants spend half their time in academic remediation, GED classes, and other educational programs. The rest of their time is spent on the construction site, working at minimum wage and learning marketable job skill. Upon its completion, the housing YouthBuild participants help to build would be reserved permanently for homeless and low-income families at affordable rents. Upon their graduation, YouthBuild participants go on to obtain jobs which pay between $8 and $19 an hour in carpentry, electrical work, plumbing, painting, and other areas of construction. Some YouthBuild graduates have even gone on to establish their own construction companies.

YouthBuild graduates also leave the program with a new and enduring sense of empowerment. A key highlight of the program's design is its emphasis on developing the leadership skills of participants by providing them with opportunities to participate in decisionmaking about the project's operation and through other means. The program recognizes that disadvantaged young people want to contribute to improving the well-being of the communities and seeks to give them the education, job training, and leadership skills they need to maximize their contributions. YouthBuild understands that low-income youth are an untapped resource, not a disease which must be treated or contained.

The innovative model upon which YouthBuild is based has proven successful wherever it has been tried. It has been carefully developed in east Harlem by the Youth Action Program since 1978. The Banana Kelly Community Improvement Association has successfully replicated it in the south Bronx since 1984. Public/Private Ventures has implemented the model in 12 cities. In all since 1985, YouthBuild programs in 8 cities have prepared over 1,000 young men and women for careers in construction and rehabilitated dozens of buildings in low-income communities.

YouthBuild programs are now being developed and put in operation by community groups in San Francisco, Cleveland, Boston, Tallahassee, St. Louis, Pittsburgh, Indianapolis, Milwaukee, Atlantic City, and Gary, but they are struggling without an adequate and stable source of funding. They report that they must turn away 7 to 10 times as many young people as they are able to serve. Another 140 organizations in communities throughout the United States are seeking to replicate the YouthBuild model, but have been unable to secure the necessary funding.

The YouthBuild program has proven to be particularly attractive to and beneficial for young minority males and comprises an important part of the response we must make to the terrible crisis facing these young people. The average earnings of all young men have fallen since the early 1970's, but the earnings losses of young African-American and Hispanic men have been particularly severe. The average annual earnings of young African-American men fell by 36.7 percent between 1973 and 1987. Young Hispanic men lost 26.7 percent and young white men lost 21.5 percent. African-American male dropouts have been hardest hit by changes in the economy. In 1987, young African-American male dropouts earned an average of only $2,986, compared to $8,496 in 1973—a drop of 64.8 percent. This is twice the size of earnings losses experienced by white and Hispanic male dropouts.

A devastatingly high proportion of young African-American and Hispanic men are in prison, in jail, or on probation or parole. In 1989, nearly one in four young African-American men between the ages of 20 and 29 were under the control of the criminal justice system—either in prison, in jail, or on parole—on any given day. The proportion was 1 to 10 for young Hispanic men and 1 in 16 for young white men. Young African-American and Hispanic men are also disproportionately the victims of violent crimes. For example, African-American men are seven times more likely to die from homicide than their white peers.

Despite the magnitude of this crisis, precious little is being done at the Federal, State, and local levels to arrest and reverse this horrible waste of human potential. There are few programs available to meet the needs of young men in the inner city. As the founder of YouthBuild, Dorothy Stoneman, put it in testimony before the Education and Labor Committee, "the only active recruitment of low-income minority men is for them to become drug dealers." By providing support for the replication of the YouthBuild model in communities across the Nation, H.R. 5334 will help to remedy this paucity of meaningful alternatives for young minority males. During its consideration of YouthBuild legislation, the House Education and Labor Committee heard testimony from Mr. Ventura Santiago, a YouthBuild graduate from east Harlem who obtained his GED through the program and learned construction skills which helped him to obtain a good job paying over $23 per hour. Mr. Santiago spoke eloquently about what YouthBuild meant for him and what it could mean to other young people:

It's not easy growing up in East Harlem. Especially nowadays everybody thinks everybody is on crack or selling drugs or something. A lot of young guys are dropping out at early ages. It's just a shame. Most of them drop out because they really don't have anything to do. You've got to give people something to look forward to, like this training, something to look forward to that they could use in the future. If it wasn't for this training, I don't know where I'd be today, I really don't.

Through YouthBuild, H.R. 5334 will provide many more opportunities for young men like Mr. Santiago. I urge my colleagues to support section 165 of the legislation and its many other important provisions.

Mr. GONZALEZ. Mr. Chairman, let me say that the gentleman from New York [Mr. OWENS] did add a very constructive proviso to the bill.

Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I thank the chairman for yielding to me.

Mr. Chairman, thank you for the Banking Committee's concern for nontraditional lending, recently demonstrated at the subcommittee hearing on nontraditional lenders in late July. I want to bring to the attention of the full body the importance of one type of lender showcased at that hearing: the community development credit union. The more than 400 community development credit unions nationwide offer much needed capital to persons and growing businesses in the low-income neighborhoods where they are based. But these institutions still need adequate technical assistance, organizing and operating funds, and loan guarantees. I would greatly appreciate the committee's continued exploration of how we can best be of help to community development credit unions.

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

Ms. KAPTUR. I yield to the chairman.

Mr. GONZALEZ. I thank the gentlewoman for yielding.

Mr. Chairman, let me say that I agree that community development credit unions play an important role in meeting the credit needs of low-income persons and businesses in neighborhoods where those needs are rarely met. I will be pleased to work with you on how the Congress can support these special nontraditional lenders.

As the gentlewoman knows, we have other lending institutions, but we will be working together.

Ms. KAPTUR. I thank the chairman.

I also offer my strong support for H.R. 5334. This bill includes a provision that authorizes for the first time an innovative way of helping women in low- and moderate-income neighborhoods to become self-sufficient, namely by becoming apprentices and then journeywomen.

I urge your support for this provision and for the bill in general.

Specifically, the provision authorizes funds for community-based organizations to help women living in low- and moderate-income neighborhoods to secure jobs and paid apprenticeships with construction companies working on properties there. The money will be

used to recruit women from the neighborhoods, to prepare them for construction work by providing or accessing pre-apprenticeship and apprenticeship training, to create workable environments for the women on the job, and to inform the women about how to incorporate their own small construction business once they are trained.

This single idea of helping women build and rehabilitate housing in their own neighborhoods elegantly addresses several social ills simultaneously. It helps women in the neighborhoods work toward self-sufficiency by developing skills and securing employment in high-wage occupations. It provides these opportunities near home, pragmatically allowing mothers to check up on their children during the workday. It also furnishes the employable skills vital for helping the increasing numbers of single mothers provide for their families.

In addition, the new language squarely confronts the problem of low numbers of women in construction, at a startling 2 percent of the construction work force in 1991. It increases this meager rate not only by recruiting and training women for construction, but also by retaining any gains made by helping the construction companies set up workable environments to maintain the women they hire. Best of all, it addresses these problems by meeting yet another critical need: the renovation of troubled low- and moderate-income neighborhoods.

I again urge my colleagues to support this bill and this powerful provision contained in it. In so doing, we will produce self-sufficient women, a more equitable number of women in construction jobs, a renovated neighborhoods.

Following is a list of low-income credit unions as designated by the National Credit Union Administration. The list is current as of August 5, 1992.

Please keep in mind that this list only reflects the number of credit unions that have applied for a low-income designation and been approved by NCUA. Many other credit unions could potentially obtain the low-income designation if they chose to seek such a designation. It is estimated that there are approximately 300 to 500 credit unions in aggregate that are serving economically disadvantaged communities but cannot document that conclusively:

Selma-Dallas Community, Selma, AL. 36701.
Lester Alabama, Lester, AL. 35647.
St. Johns AME Birmingham, Birmingham, AL. 35202.
Demopolis, Demopolis, AL. 36732-0671.
York Citizens, York, AL. 36925.
Force, Eutaw, AL. 35462.
Prichard, Prichard, AL. 36610.
College Station Community, College Station, AR. 72033.
Chicanos por la Causa, Phoenix, AZ. 83034.
First American, Window Rock, AZ. 86315.
Peoples Ind Church, Los Angeles, CA. 90043.
Isla Vista Community, Isla Vista, CA. 93117.
Mission Area, San Francisco, CA. 94103.
Desert-Valle, El Centro, CA. 92243.
Northeast Community, San Francisco, CA. 94108.
Family, Wilmington, CA. 90744.
Watts United, Los Angeles, CA. 90002.
Need Action, Waterbury, CT. 06721.
Local 25 #32 AFL-CIO, Washington, DC. 20005.
Metropolitan Baptist Church, Washington, DC. 20009.
Hospitality Community, Washington, DC. 20002.
PSA, Wilmington, DE. 19801.
St. James A M E Church, Miami, FL. 33147.
NEJA, Marianna, FL. 32446.
First Baptist Church Oakland, Jacksonville, FL. 32206.
Putnam County, Palatka, FL. 32177.
POC, St Petersburg, FL. 33713.
Community Trust, Apopka, FL. 32704-1023.
South Okeechobee Comm. Development, Belle Glade, FL. 33430.
Piney Grove Community, Swainsboro, GA. 30401.
F A B Church, Savannah, GA. 31401.
Wheat Street Church, Atlanta, GA. 30312.
Tabernacle, Augusta, GA. 30901.
Unified Singers, Thomasville, GA. 31799.
Stewart County, Lumpkin, GA. 31815.
Clarke Community, Athens, GA. 30606.
Ware County, Waycross, GA. 31501.
Stephens County Community, Toccoa, GA. 30577.
B.O.N.D. Community, Atlanta, GA. 30307.
Grant Park-S.A.N.D., Atlanta, GA. 30312.
American Samoa Government Emps., Pago Pago, GU. 96799.
SCICAP, Leon, IA. 50144.
St. Martin de Porres Parish, Chicago, IL. 60624.
Puerto Rican Society, Waukegan, IL. 60079.
Israel Methcomm, Chicago, IL. 60619.
T U F, Chicago, IL. 60610.
C T A F C, Chicago, IL. 60607.
North Side Community, Chicago, IL. 60640.
Austin/West Garfield, Chicago, IL. 60651.
North East KY Cap, Olive Hill, KY. 41164
Central Appalachian Peoples, Berea, KY. 40403
Iberia Parish, New Iberia, LA. 70560
Union, Farmerville, LA. 71241
Fourth Ward, Anite, LA. 70422
Avenue Baptist Brotherhood, Shreveport, LA. 71103
Tulane Memorial Baptist Church, New Orleans, LA. 70187-0716
Lincoln Community, Ruston, LA. 71270
St. Pauls Lafayette, Lafayette, LA. 70501
Ninth Ward, New Orleans, LA. 70117
Zachary Community, Zachary, LA. 70791
St. John Self-Help, Reserve, LA. 70084
P. A. Crohley, LA. 70527
Holy Ghost Faith, Opelousas, LA. 70570
D. Edward Wells, Springfield, MA. 01109
Hull Mass, Hull, MA. 02045
South End, Boston, MA. 02118
Douglas Memorial, Baltimore, MD. 21217
Parky Maryland, Baltimore, MD. 21215
Rentex Employees, Baltimore, MD. 21223
South Baltimore Community, Baltimore, MD. 21230
St. Mary's County, Hollywood, MD. 20636
Cleveland, Cleveland, MS. 38732
Friendship Community, Clarksdale, MS. 38614
Shelby, Shelby, MS. 38774
North Gulfport Community, Gulfport, MS. 39501
Indianola Community, Indianola, MS. 38751
Central Mississippi, Winona, MS. 38967
Issaquena County, Mayersville, MS. 39113
Greene County, State Line, MS. 39362
Lauderdale County, Meridian, MS. 39302-5752
Choctaw, Philadelphia, MS. 39350
East Central, Louisville, MS. 39339
Quitman County, Marks, MS. 38646
Mission Arts Employees, Ashland, MT. 59003
Bricks (NC) Community, Enfield, NC. 27823
Tri-County, Ahoskie, NC. 27910
Rowan-Iredell Area, Salisbury, NC. 28145
St. Luke, Windsor, NC. 27983
Chowan, Edenton, NC. 27932
Self-Help, Durhan, NC. 27701
Greater Morristown Area, Morristown, NJ. 07960
La Casa Federal Credit Union, Newark, NJ. 07104
New Community, Newark, NJ. 07103
University Settlement, New York, NY. 10002
Allen, Jamaica, NY. 11433
Union Settlement, New York, NY. 10029
Cornerstone Baptist Church, Brooklyn, NY. 11221
Transfiguration Parish, Brooklyn, NY. 11211
Good Counsel, Brooklyn, NY. 11221
Bethex, New York, NY. 10011
CEDC, Hempstead, NY. 11550
Community Action Org of Erie County, Buffalo, NY. 14209.
Alternatives, Ithaca, NY. 14850.
North Brooklyn, Brooklyn, NY. 11211.
Brooklyn Ecunenical, Brooklyn, NY. 11217.
Lower East Side People's, New York, NY. 10009.
Northwest Bronx Coalition, Bronx, NY. 10468.
Self Help Works, New York, NY. 10012.
Mid-Bronx Community Development, Bronx, NY. 10460.
Bethel Baptist, Dayton, OH. 45407.
Capital City, Columbus, OH. 43205.
HYS, Chilicothe, OH. 45601.
O.U.R., Eugene, OR. 97401.
St. Patricks Spangler, Spangler, PA. 15775.
L M P, Philadelphia, PA. 19104.
Mahlon M. Lewis, Philadelphia, PA. 19139.
Jones Tabernacle, Philadelphia, PA. 19121.
Salem, Jenkintown, PA. 19046.
Emmanuel Methodist, Philadelphia, PA. 19132.
Zoah Methodist Church, Philadelphia, PA. 19123.
Calvary Northern Liberties, Philadelphia, PA. 19104.
RTC, Philadelphia, PA. 19147.
Sto-Rox Community, Mckees Rocxs, PA. 15136.
Hill District, Pittsburgh, PA. 15219.
E.A.H.C., Easton, PA. 18042.
Borinquen, Philadelphia, PA. 19132.
The Germantown, Philadelphia, PA. 19144.
New Kensington, Philadelphia, PA. 19125.
CO, Charleston, SC. 29403.
Interlakes Community, Hadison, SD. 57042.
Sisseton-Wahpeton, Agency Village, SD. 57262.
Macedonia Baptist Church, Jackson, TN. 38301.
Marion County, Jefferson, TX. 75637.
United Counties, Taylor, TX. 76574.
Knights of Pythias #326, Dallas, TX. 75216-3421.
Common Ground Community, Dallas, TX. 75223.
UCB Credit Union, Salt Lake CY, UT. 84147.
Newport News Neighborhood, Newport News, VA. 23607.
Halifax County and South Boston Com, South Boston, VA. 24592.

Fishing Bay, Deltaville, VA. 23043.
Vermont Development, Burlington, VT. 05401.
McDowell County, Wilcoe, WV. 24895.
Near Eastside Community, Indianapolis, IN. 46201-2006.

Mr. Chairman, let me conclude by thanking the gentlewoman from New Jersey [Mrs. ROUKEMA], the gentlewoman from Maryland [Mrs. MORELLA], and the gentlewoman from California [Ms. WATERS] for helping us draft these provisions.

And I would like to say to my colleague, the gentleman from Ohio [Mr. WYLIE], "God speed, we will miss you."

Mr. GONZALEZ. Mr. Chairman, I conclude by alluding to the great work of the gentleman from Ohio [Mr. WYLIE]. There is no question we are going to miss him considerably in our committee. He and I have worked together for many years. I must recognize that the last comprehensive bill, which was the first one in 15 years, the 1994 Affordable Housing Act. Somebody called it the Cranston-Gonzalez; I did not. I am always leery of fixing names, ever since the Garn-St Germain fiasco.

But I think that act, if they were going to call it the Cranston-Gonzales, it should have been the Cranston-Gonzalez-Wylie bill because it was his enlistment of the President himself and the Secretary of HUD which enabled us to shape up that formidable program. Also, the fact that the President, Mr. Bush, reacted in a very constructive manner.

Mr. MAZZOLI. Mr. Chairman, I rise in strong support of H.R. 5334, the Housing and Community Development Act of 1992. At this time, I would like to commend the gentleman from Texas [Mr. GONZALEZ] and his colleagues on the Committee on Banking, Housing and Urban Affairs for their valuable work and for bringing this bill to the floor.

On a walking tour of the Parkland neighborhood in June in my hometown of Louisville, KY, I was reminded by many citizens of the great need for affordable housing. H.R. 5334 addresses this need by authorizing funds for important housing and community development programs.

I am pleased to note that the bill includes an authorization of $2.2 billion for the HOME Investment Partnership Program, which provides grants to States and cites to help families obtain suitable housing. Amending the program's matching fund provision to require a flat 10-percent local match, as H.R. 5334 does, will allow communities like Louisville to continue participation in this worthwhile program.

The $3.4 billion authorization for the Community Development Block Grant Program [CDBG] will also be of great assistance in aiding communities with providing affordable housing. For example, the city of Louisville's highly successful homeownership program, which consists of selling newly constructed condominiums to residents of assisted housing, involves a blend of CDBG funds and private funds. It is good to know that H.R. 5334 allows for the continuation of proven programs like the CDBG Program.

The subsidized housing and public housing authorizations of the bill—$15.2 billion and $2.2 billion respectively—will ensure that many low-income families will have the opportunity for decent housing. Louisville and Jefferson County have a record of providing safe and quality housing for many low-income families, and I am pleased that H.R. 5334 will assist communities with their efforts.

Finally, as a long-time supporter of the McKinney Homeless Assistance Act, I am grateful that H.R. 5334 authorizes $735 million for homeless assistance programs. The emergency shelter grants, the single room occupancy [SRO] dwellings, and the Supplemental Assistance for Facilities to Assist the Homeless [SAFAH] Program have been invaluable to Louisville in aiding our neediest citizens.

Mr. Chairman, a major economic problem facing cities is a lack of affordable housing, and H.R. 5334 goes a long way in addressing this problem. There are exciting and innovative affordable housing initiatives being undertaken in Louisville, KY, and communities across America. The Housing and Community and Development Act of 1992 will complement those efforts, and I urge my colleagues to support the bill.

Mr. STUDDS. Mr. Chairman, I rise in strong support of the Housing and Community Development Act under consideration today in the House.

Of particular concern to residents of the cities of New Bedford, Brockton, and Quincy, MA, and of communities across Cape Cod and across the country is a provision authored by my colleague from Massachusetts, Congressman BRIAN DONNELLY. Directors of public housing programs from Barnstable to Brockton have shared with me harrowing accounts of the difficulties they are encountering in mixed population housing projects. As increasing numbers of nonelderly residents occupy elderly housing units, an array of problems—some predictable and others unforeseen—are arising. In many communities, the problems are reaching crisis proportions. Elderly residents are fearful of leaving their homes—not for fear of venturing into the city streets, but for fear of encountering an unstable neighbor next door.

The bill before us clarifies the definitions of specific public housing populations—the elderly, near elderly, disabled, and handicapped. The measure will in no way restrict access to public housing. It will simply enable public housing authorities to better meet the needs of all eligible residents.

The bill before us also contains a very sensible and cost-effective provision, authored by my colleague Congressman BARNEY FRANK, which deserves mention. Many housing authorities—including officials in the city of Brockton—have worked long and hard to refinance the construction of section 8 housing in their communities. Language in this bill will reward their foresight and sound economic sense by permitting public housing authorities to retain 50 percent of any funds recaptured upon the refinancing of debt incurred in the construction of section 8 housing begun between January 1, 1979 and December 31, 1984. The remaining 50 percent of the funds at issue will be returned to the Department of Housing and Urban Development [HUD].

This is a commendable example of efforts which benefit the public and ultimately save taxpayers' money. We see far too few money-saving measures in Federal programs. I not only commend the details of this provision to my colleagues' attention, but I encourage them to join me in fostering similar efforts in other programs in other communities.

Mr. WEISS. Mr. Chairman, I rise in strong support of H.R. 5334, the Housing and Community Development Act of 1992. I want to praise Chairman GONZALEZ for his leadership on this bill and for his tireless efforts on behalf of improving the quantity, quality, and affordability of housing for all Americans. The National Affordable Housing Act approved by the Congress in 1990 represented the first significant revisions to housing law since 1974. Today, we have the opportunity to extend and improve the work of that landmark bill by approving the Housing and Community Development Act. I am particularly pleased that H.R. 5334 includes two amendments which I offered in committee, amendments which I believe are modest in detail but significant in scope.

Every title of this 500-page bill makes significant improvements in housing law. Although the overall authorization level was reduced at committee and then again on the floor today, we can still be proud of authorizing $28.8 billion for many housing and community development programs. Title I of the bill on housing assistance reduces vacancies in public housing, expands section 8 assistance for home ownership and establishes a creative HOPE for Youth Program.

Title II of the bill provides valuable funding for the HOME Investment Partnership Program and makes vital reforms, such as eliminating restrictions on new construction and conforming HOME projects with the low-income housing tax credit. H.R. 5334 also provides for a comprehensive planning and assessment of the physical and financial condition of HUD insured and assisted multifamily housing and multifamily housing for the elderly. The bill also ably handles the very delicate issue of mixed populations in public and assisted housing.

Included in the National Affordable Housing Act of 1990 was a significant provision on housing opportunities for people with AIDS. This program created a source of funds for States and localities to provide a range of housing assistance and social service alternatives for the HIV-ill. The program received no funds in 1991 but was appropriated $50 million for the current year. Sadly, none of these funds have been tapped because the Department of Housing and Urban Development has not yet issued the necessary regulations. Fortunately, my proposal to establish a 30-day deadline after enactment of this legislation for the Secretary of HUD to issue interim regulations is included in H.R. 5334.

The promulgation of these interim regulations will allow Federal funds to begin flowing without closing the period for public comment. My office has spoken to HUD and we have been informed that the regulations may be ready before enactment of this bill. If this turns out to be the case, then all the better. But the fact remains that HUD has failed to comply with its own timeframes for issuing these regulations. Therefore, I offer this amendment to provide assurances that these regulations are not delayed any further. HUD officials them-

selves confessed that they must prioritize regulations, and that one of the criteria for prioritizing is the imposition of a deadline by Congress. It is vital for the Congress to convey its eagerness for funding this program by establishing a deadline for the regulations. Furthermore, the committee bill establishes a 45-day deadline for the new amendments to this section of the law. Given that requirement, I consider a 30-day deadline for regulations already in the works to be reasonable.

Also included in H.R. 5334 is my proposal to provide some needed flexibility for transitional housing facilities. The McKinney Act currently places a 24-month limitation on homeless individuals residing in transitional housing facilities. Transitional housing's purpose is to get people off the streets, provide them with needed services and treatment, and transfer them to independent and, hopefully, permanent living arrangements. Such, a deadline would seem consistent with the program's goals. Unfortunately, some individuals' treatment regimen extends beyond 24 months. In addition, there often is no permanent housing available for persons at the end of their 24-month stay in a transitional program. What are we to do? Throw them out into the streets? Certainly not.

My language makes clear that Federal moneys cannot be denied to a transitional facility that maintains an individual beyond the current 24-month deadline. This technical amendment does not undermine the purpose of transitional living but does create some flexibility for those facilities that may find themselves hard pressed at times to fulfill that 24-month deadline. Current law does allow the Secretary of HUD to waive the current deadline upon application. However, many facilities are so overburdened with providing for their clients that they cannot afford the time or resources to request this waiver. In addition, some facility administrators are unfamiliar with existing policy and afraid to tackle the complex bureaucratic maze associated with special waivers for Federal programs. My language will eliminate this unnecessary hurdle.

These provisions will ensure speedy funding of housing for people with AIDS and will go a long way in helping transitional housing facilities meet the needs of all their clients. I am very pleased with their inclusion in the measure before us.

Mr. Chairman, we still have much to do in order to address our Nation's housing needs adequately, but this legislation is an important step toward the end of better providing affordable and accessible housing for our citizens. I ask my colleagues to support H.R. 5334.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. I would like to commend the distinguished chairman of the Banking Committee, the gentleman from Texas, for his leadership and hard work on this legislation. Through his leadership, new hope will be provided to thousands of low-income Americans in need of housing and economic opportunities.

I am pleased to say that H.R. 5334, through the leadership of Hunger Committee member Representative JIM MORAN, includes language that would make microenterprise programs for the poor and activity eligible for assistance under the CDBG Program. This language originally appeared in H.R. 2258, the Freedom From Want Act, antihunger legislation which I and Hunger Committee ranking minority member BILL EMERSON introduced in May of last year.

This language is important, Mr. Chairman, because it opens up one of our main economic development programs—community development block grants—to people-centered development such as microenterprises. Microenterprise programs help people escape poverty by helping them set up their own small businesses. Increasingly, a community can no longer count on big government or industry to provide its economic base; it must provide that base through projects like small businesses.

I want to commend the Banking Committee for its hard work on H.R. 5334. I encourage my colleagues to support this important bill.

Mr. ORTON. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992.

I do so primarily because this bill contains a number of features which are important for the encouragement of affordable single- and multifamily housing. The bill overturns the 57-percent limit on closing costs for FHA mortgages. I believe this change is critical to make housing more attainable for so many younger Americans hoping to buy their first home. Testimony in our housing hearings demonstrated that this change can be accomplished without an increased risk to the FHA insurance fund.

I am also pleased to note that two provisions which I have sponsored are included in this bill. Allowing the use of HOME investment partnership funds for administrative costs is a vital step in helping smaller communities provide affordable rental housing. This change has been an important priority for me, and I would also like to note the fine efforts of Representatives ROUKEMA and KLECZKA to push for its adoption. Finally, the bill provides for use of mortgage revenue bonds in conjunction with the national homeownership trust fund, an approach which would use further targeting of mortgage financing to allow those with moderate incomes to join the housing market.

Of course, I am not enthusiastic about all aspects of this bill. Even with the adoption of the Gonzalez en bloc amendments, I believe this bill authorizes too high a funding level, in a period of record budget deficits. However, I recognize that since this is a 1-year reauthorization bill, and since the House has already adopted the VA/HUD appropriations bill, the funding levels of this bill have little practical significance. Last week, I voted against the VA/HUD appropriations bill, because of what I considered to be an excessive funding level. This week, I will vote in favor of the reauthorization bill—because of the many important provisions it contains, and in spite of the funding levels.

Finally, with regard to this bill's likely outcome, I would urge the President and the Congress to work together to enact a reauthorization bill. There are many disagreements between the administration and the Democratic leadership in Congress. On many of these disagreements, I side with the President, on many others I side with the leadership. However, I feel strongly that the reauthorization process should not become irrelevant to the legislative process, to the point where everything is decided in the appropriations bills. We have spent many long hours holding hearings and voting on these issues. In the name of bipartisanship, I believe these issues should be resolved.

Therefore, I support H.R. 5334 and look forward to this bill's final enactment.

Mr. KOPETSKI. Mr. Chairman, I rise today in support of H.R. 5334, but in doing so I would like to draw my colleagues' attention to the issue of mixed housing.

The bill before us contains a number of provisions designed to alleviate some of the problems with mixed populations of elderly and disabled individuals in public and assisted housing. I have housing authority directors in my district who are experiencing serious difficulties in keeping these two groups safe and happy. A General Accounting Office report indicates that in 1990, nonelderly mentally disabled people occupied about 9 percent of the public housing units for the elderly, and about 31 percent of these households reportedly caused moderate or serious problems because of behavior such as alcohol abuse or excessive noise, and because of the presence of disruptive visitors. Very disturbing incidents have occurred, and have been documented.

The Housing and Community Development Act before us today will allow housing to be designated as elderly or near-elderly only. Undoubtedly, this will make life easier for many elderly housing residents and for housing authority directors. But it will not do anything to make life easier for disabled people who need housing.

Mr. Chairman, segregated housing assumes that people with disabilities, once denied public housing designated for use by elderly tenants only, will find housing elsewhere. However, without data on available housing options, firm commitments from housing sponsors who could provide alternate housing for persons with disabilities, and the commitment of additional resources to federally funded housing programs, persons with disabilities will spend significantly more time on waiting lists. In many cases, prolonged waiting could result in increased homelessness and institutionalization.

Mr. Chairman, I believe that the disabled need housing, too. Where are they going to go if they cannot get into a housing authority? What's going to happen to the mentally disabled if they are simply given section 8 assistance and are sent out on their own? These people need help if they are going to live by themselves, and they will need help if they are going to live alongside elderly people.

Mr. Chairman, I am moved and greatly saddened by the cases of rape, abuse violence, and harassment that have been reported in mixed housing projects. However, I believe that a more fundamental solution than segregation is needed, and that we will meet the needs of both populations only by providing them with support services.

Mr. Chairman, let's not forget the disabled in trying to help the elderly.

Mrs. SCHROEDER. Mr. Chairman, I'm sure you have heard the newest joke on the Hill. It goes like this: What's the difference between George Bush and Jimmy Carter? Carter has had more housing starts since he's been out of office than Bush has had during office.

That's what we are facing with H.R. 5334, the Housing and Community Development Act. Housing authorization levels dropped from 7 percent in the budget for fiscal year 1978 to 0.7 percent in the budget for fiscal year 1988, and are still falling. Presently, 1.2 million public housing units exist for 33.6 million people living below the poverty line. Yet, the administration continues to gut public housing and force underserviced populations to compete for scarce housing space. H.R. 5334 continues this trend by pitting senior citizens against people with both mental and physical disabilities, and classifying virtually all people with disabilities as members of the criminal class.

Congress has already passed laws prohibiting discrimination against people with disabilities, yet the practice continues. I advise all my colleagues that unyielding support of the Housing and Community Development Act effectively condones discrimination and undermines any efforts to provide services and security to all people in need of housing.

Mrs. LLOYD. Mr. Chairman, today I am pleased to support H.R. 5334, the Housing and Community Development Act, which provides $30.1 billion for many urgently needed housing and community grant programs.

I am very pleased and gratified that a number of the provisions in this bill were elements of legislation that I wrote earlier this year to make much needed improvements in the Federal housing programs that serve our Nation's older Americans. As chairman of the Select Committee on Aging's Subcommittee on Housing and Consumer Interests, it is my role to advocate for effective programs to serve the housing needs of all older adults, particularly those who have low incomes. Further, I believe that housing programs serving special populations and their unique needs must go beyond the bricks and mortar to provide a supportive, services-enriched environment. The legislation that we passed today will make substantial improvements in the current housing programs for the elderly, without creating large, new programs that we will have difficulty funding.

I would like to briefly outline the provisions of my legislation that have been included in H.R. 5334. First, several provisions address problems with the administration of programs that can be corrected by the Department of Housing and Urban Development [HUD]. The bill requires HUD to review all federally assisted housing projects for the elderly to assess their needs in the areas of supportive services, modernization, personnel, and finances. I want to thank Representative MFUME and Representative ROYBAL, chairman of the Select Committee on Aging, for their assistance in having this provision accepted by the Committee on Banking, Finance and Urban Affairs.

The Secretary is also instructed to work to provide one-stop housing assistance application centers to better serve older individuals and others seeking housing, and the bill requires that regulations for the Revised Congregate Housing Services Program [RCHSP] be issued. In 1990, I drafted the legislation which created the RCHSP. Unfortunately, HUD has failed to spend any of the appropriations that we have provided for these excellent services programs for the frailest of our residents. With this bill, we are again instructing HUD to do its job and provide funds for services to the elderly and disabled.

Another provision that I wrote, as did Mr. KLECZKA, expands the authorization for service coordinators to sections 236, 221(d)(3), 515, and section 8 projects. Further, it clarifies who can be hired or otherwise employed as service coordinators, and makes the language more consistent throughout the law. My good friend, Representative MARY ROSE OAKAR, was very helpful in placing this language in the bill. It is my hope that someday in the near future all facilities that need service coordinators will be able to have them.

Last, language that I drafted, and my distinguished colleague Mr. SCHUMER offered as an amendment to the bill, expands the current eligibility for mortgage insurance under section 232. It clarifies that, in addition to the eligibility of nursing homes and board and care facilities, assisted living facilities may also receive mortgage insurance under this program. Assisted living facilities provide a level of care that is less extensive, and less expensive, than nursing homes provide.

Mr. Chairman, I would also like to mention my support for several other programs in this bill. This legislation authorizes over 13,000 units of section 202 housing which serves the elderly, and $27 million for the Revised Congregate Housing Services Program. It also reauthorizes the HOPE for Elderly Independence Program to provide vouchers coupled with services to older Americans.

Another very important program to the Third District of Tennessee is the Community Development Block Grant Program [CDBG]. Both the Room at the Inn and the Chattanooga Community Kitchen programs were funded with CDBG monies. H.R. 5334 also lifts some of the Federal Housing Administration's [FHA] rules that made it more difficult for buyers trying to purchase a home with Federal mortgage insurance. The bill removes restrictions on the amount of closing costs that may be financed under the FHA loan program and increases the allowable size of the home loans that are insured under the program. I am hopeful that this will give more Americans the opportunity to purchase homes.

Finally, Mr. Chairman, this bill authorizes Farmers Home Administration rural housing programs, including $2.3 billion in rural loans and grants. These programs are essential to many of the communities in my district and across the Nation.

I commend the efforts of Chairman GONZALEZ and ranking minority members WYLIE and ROUKEMA, who take the housing needs of all Americans very seriously. I look forward to working with them in the future to improve Federal housing for older Americans. I urge my colleagues to support H.R. 5334.

Mr. FAZIO. Mr. Chairman, I rise in support of H.R. 5334, the bill that provides the foundation for Federal housing and community development programs in rural and urban areas all across America.

According to a recent Harvard study on today's housing market, high costs continue to limit access to home ownership for many potential first-time buyers. Even if lenders offer a variety of downpayment options, starting at as low as 5 percent, few Americans have the income and wealth to qualify for a mortgage to purchase a typical starter home. Rents continue to rise. Homelessness is escalating. Yet, the administration has consistently cut our critical Federal housing programs and, consequently, has substantially weakened our commitment to provide affordable, decent housing for all Americans.

But, H.R. 5334 responds to America's housing crisis by providing the support for a variety of programs—including low- and middle-income family mortgage assistance, rural housing grants and loans, first-time homebuyer assistance, community development, low-income rental assistance, public housing, home ownership for low-income families, and emergency shelters and low-cost housing for homeless persons.

The Community Development Block Grant [CDBG] Program is a key element of H.R. 5334. CDBG gives States and local governments flexible funds and the freedom to determine for themselves how best to address their housing and community development needs. H.R. 5334 expands the type of activities for which CDBG grants can be used to include certain community-university partnership activities and to assist microenterprises—or activities that employ five or fewer people—that require small, short-term working capital loans for startup purposes.

H.R. 5334 also authorizes the use of CDBG special purpose grants for areas that are adversely affected by cuts in defense spending. Under the bill, communities generally would be eligible for this defense-related assistance if they expect to lose 1,000 or more full-time defense workers over a 5-year period because of base closing, cancellations of defense contracts, or other defense cutbacks.

CDBG is a very popular program in my district. In Woodland, CA, CDBG funds have been used to rehabilitate homes for low-income property owners, a number of whom are elderly individuals on fixed incomes. Woodland has also applied CDBG money toward food for the homeless and elderly and child care. In Rio Linda, we use CDBG funds for street improvements, like street lights, to support our community centers, and to extend water lines. Since 1975, the Sacramento Housing and Redevelopment Agency has used CDBG funds to provide services and activities for low- to moderate-income persons in both the city and county. These services and activities include street improvements, community centers, parks and recreation, emergency repair grants, and fire protection.

H.R. 5334 also makes some changes in the Federal Housing Administration [FHA] Loan Program. First, it increases the limit for single family homes to 95 percent of an area's median sales price, and raises the maximum amount for an FHA loan from $124,875 to about $151,725. This means that the current FHA loan limit would increase to $171,955 nationally, and to anywhere between $135,000 and $140,000 in Sacramento and surrounding areas. This is important to homebuyers in high-cost areas like California, where the median home sales price often exceeds the FHA maximum loan amount.

There is also a provision that eliminates the FHA's 57 percent limit on the amount of closing costs that may be financed in an FHA

loan. These two changes mean that more American families will have access to the financing that they need in order to purchase their own homes.

The HOPE Program and the HOME Investments Partnership Program are also funded by H.R. 5334. HOPE provides matching grants to help public housing tenants and other low-income families buy either their own units or other federally owned housing. HOME provides matching grants to States and local governments to assist in the development of local strategies for expanding the supply of affordable housing, to build, rehabilitate and acquire affordable housing, and to provide rental assistance.

H.R. 5334 also creates a new program under HOPE. This new program—HOPE for Youth: Youth Build—expands the supply of affordable housing for homeless and low-income families in distressed communities by employing local disadvantaged young adults. In exchange for their talents and skills, these young people obtain education, training, and skills.

Many of us in rural America depend on the Farmers Home Administration [FmHA] Program, which includes direct and guaranteed single-family housing loans, multifamily rental housing construction loans, rural home repair loans, and loans for farm labor housing. H.R. 5334 introduces a new FmHA rural homeless grant program that will help rural homeless families and provide assistance to help prevent other families from becoming homeless.

The FmHA also has a loan program for constructing rural multifamily rental housing, and is now prevented from denying loans for projects because they are located in excessively rural or remote locations or because of the geographic location of a proposed project, or from providing a preference for loans based on the availability of any particular essential service, such as postal services, schools, health services, or grocery stores. H.R. 5334 also establishes a new grant program to fund service coordinators in FmHA-assisted rural housing projects in which a sufficient number of frail elderly reside.

H.R. 5334 reauthorizes the FmHA's underserved areas program, under which the FmHA must identify and target assistance to 100 counties where the poverty rate is high and mortgage lending is below State averages. It requires the FmHA to set aside 5 percent of its total lending authority for such underserved areas.

H.R. 5334 also includes support for a mix of assistance programs for the elderly, the handicapped, and the disabled. Several constituents have contacted my office to express their fear and concern for some of the elderly residents of such housing programs. One constituent in particular wrote regarding his mother, a resident of a Federal subsidized apartment building who lived in day-to-day fear of some of her neighbors. In response to concerns like these, H.R. 5334 allows public housing agencies, under certain conditions, to set aside certain housing projects, or portions of projects, in which only elderly residents, or disabled residents, or handicapped residents, or any combination thereof, would be permitted to live. This will bring much needed peace of mind to those senior citizens who share Federal housing accommodations with other residents who may be a threat to their physical well-being. However, the measure also requires that, when such accommodations are made for senior residents, reasonable efforts are taken to provide alternative housing and assistance to affected handicapped and disabled persons who may otherwise be excluded from such designated housing. Additionally, tenants may not be evicted in order to promote such designated housing. This way, no one is left out in the cold and everyone's interests are protected.

H.R. 5334 reaffirms the Federal Government's commitment to affordable housing for American families. It reinforces that we have a right to decent housing in decent neighborhoods—and that home ownership should not be the right of only a privileged few. Housing is an important priority for us here in Congress; H.R. 5334 deserves our attention and our support.

Mr. STALLINGS. Mr. Chairman, I rise today in support of H.R. 5334, the Housing and Community Reauthorization Amendments of 1992. This important piece of legislation has far-reaching impacts for low-income families, veterans, elderly, handicapped, and the homeless. This bill rightly increases the maximum FHA loan amount and eliminates the limits on financing closing costs. Additionally, I commend the committee for the new Youthbuild Program which not only provides training and employment for disadvantaged youth, but will increase the stock of affordable housing. This type of multipurpose program will maximize the return on our Federal dollar investment. This legislation also provides solutions to problems encountered in Idaho regarding mixed population housing. Finally, this bill works to improve rural housing needs, establishes a new grant program for the rural homeless, and increases the invaluable community development block grants. Again, I congratulate the committee for a bill which obviously has wide bipartisan support.

Mr. SERRANO. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. I thank the chairman of the Committee on Banking, Finance, and Urban Affairs, Mr. Gonzalez, and the ranking minority member, Mr. WYLIE, for their hard work in creating this important piece of legislation.

Last year when we passed the First Housing and Community Development Act we made a commitment to the people of this country to move toward our goal of providing affordable, decent housing for all Americans.

Little has changed since then. The housing situation in this country has continued to deteriorate. Young families are still not able to afford their first home. More and more, young educated people, are joining the ranks of the homeless. In the city of New York alone there are approximately 90,000 people who are homeless.

Hardworking Americans struggling to make ends meet, continue to have to deal with drug warfare. Our inner-city housing developments are still riddled with drugs, violent crimes, and decay. It saddens me that we have a generation of American youth growing up under such conditions and that know no other way of life.

Mr. Chairman, what I find even more disheartening is that in my district, due to the lack of affordable housing, there are more and more families entering homeless shelters everyday.

This legislation does not ignore our homeless people, our elderly, our youth, or our cities. It makes an attempt to address these issues. It recognizes that the Federal Government must have a role in providing adequate and safe housing. Our cities cannot and should not be expecting to provide all of the funding.

Mr. Chairman, the youthbuild program, is an important youth initiative. This is an innovative program that will put our young people to work while helping them to rebuild their communities. As was made painfully clear by the riots in Los Angeles, the despair of our cities' youth has become a national crisis.

Mr. Chairman, I support final passage of H.R. 5334 as an affirmation of this body's commitment to respond to the basic needs of the American people.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered as read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 5334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Housing and Community Development Act of 1992".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Effective date.

TITLE I—HOUSING ASSISTANCE

Subtitle A—General Provisions

Sec. 101. Low-income housing authorization.
Sec. 102. Extension of ceiling rents.
Sec. 103. Income and definitions applicable to Indian housing programs.
Sec. 104. Public and section 8 housing tenant preference rules.
Sec. 105. Income eligibility for assisted housing.
Sec. 106. Family self-sufficiency program.

Subtitle B—Public and Indian Housing

Sec. 111. Major reconstruction of obsolete projects.
Sec. 112. Public housing tenant preferences.
Sec. 113. Public housing operating subsidies.
Sec. 114. Public housing vacancy reduction.
Sec. 115. Public housing demolition and disposition.
Sec. 116. Public housing resident management.
Sec. 117. Public housing homeownership.
Sec. 118. Public housing family investment centers.
Sec. 119. Public housing early childhood development services.
Sec. 120. Indian housing childhood development services.
Sec. 121. Exemption of Indian housing program from new construction limitation.
Sec. 122. Public housing one-stop perinatal services demonstration.
Sec. 123. National Commission on Distressed Public Housing.
Sec. 124. National Commission on American Indian, Alaska Native, and Native Hawaiian Housing.

Sec. 125. Public housing homeownership demonstration.
Sec. 126. Sale of certain scattered-site housing.

Subtitle C—Section 8 Assistance

Sec. 141. Restatement and revision of section 8 rental assistance program.
Sec. 142. Implementation of amendments to project-based certificate program.
Sec. 143. Effectiveness of section 8 assistance for PHA-owned units.
Sec. 144. Nondiscrimination against section 8 assistance holders.
Sec. 145. Implementation of income eligibility provisions for section 8 new construction units.
Sec. 146. Moving to opportunity for fair housing.

Subtitle D—Other Programs

Sec. 161. Public and assisted housing drug elimination.
Sec. 162. Flexible subsidy program.
Sec. 163. Housing counseling.
Sec. 164. Use of funds recaptured from refinancing State and local finance projects.
Sec. 165. HOPE for youth.

Subtitle E—Homeownership Programs

Sec. 181. HOPE homeownership programs.
Sec. 182. National Homeownership Trust demonstration.
Sec. 183. Nehemiah housing opportunity grants.
Sec. 184. Loan guarantees for Indian housing.
Sec. 185. Assistance under section 8 for homeownership.

Subtitle F—Implementation

Sec. 191. Implementation.

TITLE II—HOME INVESTMENT PARTNERSHIPS

Sec. 201. Authorization of appropriations.
Sec. 202. Elimination of restrictions on new construction.
Sec. 203. Use of tenant-based rental assistance amounts for security deposits.
Sec. 204. McKinney Act activities for homeless persons as eligible use of investment.
Sec. 205. Per unit cost limits.
Sec. 206. Administrative costs as eligible use of investment.
Sec. 207. Qualification as affordable rental housing.
Sec. 208. Resale of homeownership housing.
Sec. 209. Matching requirements.
Sec. 210. Assistance for insular areas.
Sec. 211. Use of assistance to establish community housing development organizations.
Sec. 212. Housing education and organizational support for community land trusts.
Sec. 213. Land bank redevelopment.
Sec. 214. Research in providing affordable housing through innovative building techniques and technology.
Sec. 215. Use of innovative building technologies to provide cost-saving housing opportunities.
Sec. 216. Definition of community housing development organization.
Sec. 217. Inclusion of ECHO housing in definition of housing.
Sec. 218. Eligibility of manufactured home owners as first-time homebuyers.
Sec. 219. Eligibility for assistance and contents of strategies.

TITLE III—PRESERVATION OF LOW-INCOME HOUSING

Sec. 301. Authorization of appropriations.
Sec. 302. Revision of short title.
Sec. 303. Residual receipts and reserve for replacement accounts.
Sec. 304. Submission of information to tenants.
Sec. 305. Approval of plan of action.
Sec. 306. Receipt of incentives to extend low-income use.
Sec. 307. Elimination of windfall profits test.
Sec. 308. Unit rent criteria for approval of plan of action.
Sec. 309. Resident homeownership program.
Sec. 310. Incentives under Emergency Low Income Housing Preservation Act.
Sec. 311. Delegated responsibility to State agencies.
Sec. 312. Insurance for second mortgage financing.
Sec. 313. Supplemental loans.
Sec. 314. Technical amendments.
Sec. 315. Regulations.
Sec. 316. Study of projects assisted under flexible subsidy program.

TITLE IV—MULTIFAMILY HOUSING PLANNING AND INVESTMENT STRATEGIES

Sec. 401. Required submission.
Sec. 402. Contents.
Sec. 403. Submission and review.
Sec. 404. Definitions.
Sec. 405. Regulations.

TITLE V—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET

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Sec. 502. Federal Housing Administration Advisory Board.
Sec. 503. Maximum mortgage amount.
Sec. 504. Maximum principal obligation of mortgages for veterans.
Sec. 505. Prohibition on limitation of closing costs financed.
Sec. 506. Prepurchase counseling requirement.
Sec. 507. Authority to decrease insurance premium charges.
Sec. 508. Statute of limitations for distributive shares.
Sec. 509. Mortgage limits for multifamily projects.
Sec. 510. Insurance of loans for operating losses of multifamily projects.
Sec. 511. Eligibility of assisted living facilities for mortgage insurance under section 232.
Sec. 512. Authorization of appropriations for multifamily housing mortgage insurance field office staff.
Sec. 513. Expediting insurance for acquisition of Resolution Trust Corporation property.
Sec. 514. Energy efficient mortgage pilot program.
Sec. 515. Title I manufactured home loan insurance limits.
Sec. 516. Study regarding home warranty plans.

Subtitle B—Secondary Mortgage Market Programs

Sec. 531. Limitation on GNMA guarantees of mortgage-backed securities.
Sec. 532. Authority for GNMA to make hardship interest payments.

TITLE VI—HOUSING FOR ELDERLY PERSONS, HANDICAPPED PERSONS, AND PERSONS WITH DISABILITIES

Subtitle A—Supportive Housing Programs

Sec. 601. Supportive housing for the elderly.
Sec. 602. Supportive housing for persons with disabilities.
Sec. 603. Revised congregate housing services program.
Sec. 604. HOPE for independence of elderly persons and persons with disabilities.
Sec. 605. Housing opportunities for persons with AIDS.

Subtitle B—Authority for Public Housing Agencies to Provide Designated Public Housing and Assistance for Handicapped and Disabled Families

Sec. 621. Definitions.
Sec. 622. Authority.
Sec. 623. Section 8 assistance for handicapped and disabled families.
Sec. 624. Development and reconstruction of housing for handicapped and disabled families.
Sec. 625. Conforming amendments.
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Subtitle C—Standards and Obligations of Residency in Federally Assisted Housing

Sec. 641. Compliance by owners as condition of Federal assistance.
Sec. 642. Compliance with criteria for occupancy as requirement for tenancy.
Sec. 643. Establishment of criteria for occupancy.
Sec. 644. Assisted applications.

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SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—The provisions of this Act and the amendments made by this Act shall take effect and shall apply upon the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.

(b) EFFECT OF REGULATORY AUTHORITY.—Any authority in this Act or the amendments made by this Act to issue regulations, and any specific requirement to issue regulations by a date certain, may not be construed to affect the effectiveness or applicability of the provisions of this Act or the amendments made by this Act under such provisions and amendments and subsection (a) of this section.

(c) IMPLEMENTATION.—The Secretary of Housing and Urban Development, the Secretary of Agriculture, or any other Federal officer specifically required (by the provisions of this Act or the amendments made by this Act) to carry out any such provision or amendment, as applicable, shall carry out such provision or amendment upon the effectiveness or applicability of the provision or amendment, notwithstanding the absence of any regulations relating to such provision or amendment.

TITLE I—HOUSING ASSISTANCE

Subtitle A—General Provisions

SEC. 101. LOW-INCOME HOUSING AUTHORIZATION.

(a) AGGREGATE BUDGET AUTHORITY.—Section 5(c)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)(6)) is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for assistance referred to in paragraph (7) is increased (to the extent approved in appropriation Acts) by $15,158,946,956 on October 1, 1992.".

(b) UTILIZATION OF BUDGET AUTHORITY.—Section 5(c)(7) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)(7)) is amended by striking the paragraph designation and all that follows through the end of subparagraph (A) and inserting the following:

"(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1993, the Secretary shall, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating—

"(i) for public housing grants under subsection (a)(2), not more than $844,792,000, of which amount not more than $247,312,000 shall be available for Indian housing;

"(ii) for assistance under section 8, not more than $2,039,232,000, of which such sums as may be necessary shall be available for 15-year contracts for project-based assistance to be used for a multicultural tenant empowerment and homeownership project located in the District of Columbia, except assistance provided under this clause shall not be considered for purposes of the percentage limitations under section 8(i)(2);

"(iii) for comprehensive improvement assistance grants under section 14(k), not more than $2,332,200,000;

"(iv) for assistance under section 8 for property disposition, not more than $455,624,000;

"(v) for assistance under section 8 for loan management, not more than $173,576,000;

"(vi) for extensions of contracts expiring under section 8, not more than $7,261,632,000, which shall be for 5-year contracts for assistance under section 8 and for loan management assistance under such section;

"(vii) for amendments to contracts under section 8, not more than $1,918,800,550;

"(viii) for public housing lease adjustments and amendments, not more than $21,755,000;

"(ix) for public housing replacement activities, not more than $85,800,000, of which $32,175,000 shall be for 15-year contracts for project-based assistance under section 8; and

"(x) for conversions from leased housing contracts under section 23 of this Act (as in effect immediately before the enactment of the Housing and Community Development Act of 1974) to assistance under section 8, not more than $25,535,406.".

SEC. 102. EXTENSION OF CEILING RENTS.

(a) REMOVAL OF 5-YEAR LIMIT.—Section 3(a)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)(A)) is amended by striking "for not more than a 5-year period".

(b) EXTENSION OF PREVIOUS CEILING RENTS.—Section 3(a)(2)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)(B)) is amended—

(1) by striking the first sentence; and

(2) in the last sentence, by striking "for the 5-year period beginning on such date of enactment" and inserting "without time limitation".

(c) COMPUTATION OF DEBT SERVICE.—Section 3(a)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)(A)) is amended by adding at the end the following new flush sentence:

"In determining the amount of debt service for any project for purposes of this paragraph, the Secretary may not consider any amount of debt that is not actually outstanding for the project.".

SEC. 103. INCOME AND DEFINITIONS APPLICABLE TO INDIAN HOUSING PROGRAMS.

(a) EXCLUSIONS FROM INCOME.—

(1) IN GENERAL.—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended—

(A) by striking subparagraph (D) and inserting the following new subparagraph:

"(D) child care expenses to the extent necessary to enable another member of the family to be employed or to further his or her education;";

(B) by striking "and" at the end of subparagraph (E);

(C) by striking the period at the end of subparagraph (F) and inserting "; and"; and

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

"(G) excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel, except that this subparagraph shall apply only to families assisted by Indian housing authorities.".

(2) BUDGET COMPLIANCE.—To the extent that the amendments made by paragraph (1) result in additional costs under this title, such amendments shall be effective only to the extent that amounts to cover such additional costs are provided in advance in appropriation Acts.

(b) APPLICABILITY OF DEFINITIONS TO INDIAN HOUSING.—

(1) IN GENERAL.—In accordance with section 201(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437aa(b)(2)), the provisions of sections 572, 573, and 574 of the Cranston-Gonzalez National Affordable Housing Act shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian Housing Authority.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect as if such provision were enacted upon the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act.

SEC. 104. PUBLIC AND SECTION 8 HOUSING TENANT PREFERENCE RULES.

Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban

Development shall issue regulations implementing the amendments made by sections 501 and 545 of the Cranston-Gonzalez National Affordable Housing Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon issuance.

SEC. 105. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16(c) of the United States Housing Act of 1937 (42 U.S.C. 1437n(c)) is amended—

(1) in the first sentence, by striking the second comma and inserting "and";

(2) in the first sentence, by striking ", and shall" and inserting ". In developing such admission procedures, the Secretary shall"; and

(3) by inserting before the period at the end of the penultimate sentence the following: "; except that such prohibition shall not apply with respect to families selected for occupancy in public housing under the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)".

SEC. 106. FAMILY SELF-SUFFICIENCY PROGRAM.

(a) RESERVATION OF OPERATING SUBSIDIES.—The last sentence of section 23(h)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(h)(2)) is amended to read as follows: "Of any amounts appropriated under section 9(c) for fiscal year 1993, $25,000,000 is authorized to be used for costs under this paragraph.".

(b) PURPOSE.—Section 23(a) of the United States Housing Act of 1937 (42 U.S.C. 1437u(a)) is amended by striking "eligible families" and all that follows and inserting "families to improve their educational and employment status and achieve a greater measure of economic independence and self-sufficiency.".

(c) EXCEPTION TO REQUIRED ESTABLISHMENT OF PROGRAM.—Section 23(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(b)(2)) is amended by striking subparagraphs (A) through (D) and inserting the following:

"(A) lack of supportive services accessible to potential participating families, which shall include insufficient availability of resources for programs under the Job Training Partnerships Act or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act;

"(B) lack of funding for reasonable administrative costs;

"(C) lack of cooperation by other units of State or local government; or

"(D) any other circumstances that the Secretary may consider appropriate.

In allocating assistance available for reservation under this Act, the Secretary may not refuse to provide assistance or decrease the amount of assistance that would otherwise be provided to any public housing agency because the agency has provided a certification under this paragraph or because, pursuant to a certification, the agency has failed to carry out a self-sufficiency program.".

(d) SCOPE OF PROGRAM.—Section 23(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437u(b)(3)) is amended—

(1) in subparagraph (A)—

(A) by striking "Certificate and voucher assistance under section 8(b) and (o)" and inserting "Assistance under section 8";

(B) by inserting "50 percent of" after "equivalent to"; and

(C) by inserting after the period at the end the following new sentence: "In determining the increase in the number of families assisted for a year, the public housing agency shall not consider any assistance made available for the property disposition program, for loan management, for family unification pursuant to section 8(q)(3), for handicapped or disabled families pursuant to section 8(q)(4), for replacement assistance under section 304(g), for conversions from leased housing contracts under section 23 (as in effect immediately before the enactment of the Housing and Community Development Act of 1974) to assistance under section 8, or under the provisions of the Low-Income Housing Preservation Act of 1990 or the Emergency Low Income Housing Preservation Act of 1987 (as in effect immediately before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act and applicable pursuant to section 604 of such Act).."; and

(2) in subparagraph (B), by inserting after the period at the end the following new sentence: "In determining the increase in the number of dwelling units for a year, the public housing agency shall not consider any dwelling unit that in the preceding year was a vacant unit and has become available for occupancy, any unit made available pursuant to the requirement under section 18 providing for replacement of any units demolished or disposed, or any unit in a project designated, and approved by the Secretary, for occupancy under section 7(a)(1).".

(e) LIMITATION ON PORTABILITY.—Section 23(b) of the United States Housing Act of 1937 (42 U.S.C. 1437u(b)) is amended by adding at the end the following new paragraph:

"(4) LIMITATION ON PORTABILITY.—Notwithstanding section 8(o), a participating family receiving assistance under section 8 in connection with a local self-sufficiency program may not use such assistance for any dwelling unit that is not located within the area of jurisdiction of the public housing agency carrying out such program.".

(f) CONTRACT OF PARTICIPATION.—Section 23(c)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)(1)) is amended—

(1) in the second sentence, by inserting after "program" the following: ", shall establish specific interim and final goals by which compliance with and performance of the contract may be measured (which may not include requiring the participating family to refuse Federal, State, or local housing assistance as a condition of withdrawing amounts in an escrow savings account established under subsection (d)(3)),"; and

(2) by striking the last sentence and inserting the following new sentence: "The contract shall provide that the public housing agency may terminate or withhold assistance under section 8 and services under paragraph (2) of this subsection if the public housing agency determines, through an administrative grievance procedure in accordance with the requirements of section 6(k), that the family has failed to comply with the requirements of the contract without good cause.".

(g) SUPPORTIVE SERVICES.—The first sentence of section 23(c)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)(2)) is amended by striking "to each participating family" the second place it appears.

(h) INCENTIVES FOR PARTICIPATION.—Section 23(d) of the United States Housing Act of 1937 (42 U.S.C. 1437u(d)) is amended—

(1) by striking "MAXIMUM RENTS AND ESCROW SAVINGS ACCOUNTS.—" and inserting "INCENTIVES FOR PARTICIPATION.—";

(2) in paragraph (1)—

(A) in the first sentence—

(i) by inserting "the public housing agency may provide that" after the first comma; and

(ii) by striking "may not be" and inserting "is not";

(B) in the second sentence, by striking "The Secretary shall provide" and inserting "If the public housing agency limits rents under the first sentence of this paragraph, the agency shall provide (A)"; and

(C) by striking ". Upon" and inserting "(as determined by the Secretary), and (B) that upon";

(3) in paragraph (2)—

(A) in the first sentence, by striking "For" and inserting "If, and only if, the public housing agency limits rents under paragraph (1), for";

(B) in the second sentence—

(i) by striking "For" and inserting "With respect only to such agencies, for"; and

(ii) by striking "paragraph (1)" and inserting "paragraph (2)"; and

(C) by striking the last sentence and inserting the following new sentences: "Any amounts in an escrow account established under this paragraph shall be available to the participating family upon successful performance of the obligations of the family under the contract of participation entered into by the family under subsection (c), as determined according to the specific goals and terms included in the contract. A public housing agency establishing such escrow accounts may make certain amounts in the accounts available to the participating families before full performance of the contract obligations based on compliance with, and completion of, specific interim goals included in the contract, partial performance of the contract, or otherwise, as the agency determines is appropriate; except that any such amounts shall be used by the participating families for purposes consistent with the contracts of participation, as determined by the public housing agency.";

(4) by redesignating paragraphs (1) and (2) (as amended by this subsection) as paragraphs (2) and (3), respectively; and

(5) by inserting before paragraph (2) (as so redesignated by paragraph (4) of this subsection) the following new paragraph:

"(1) PLAN.—Each public housing agency carrying out a local program under this section shall establish a plan to offer incentives to families to encourage families to participate in the program. The plan may require limitations on the rent of participating families and the establishment of escrow savings accounts as provided under paragraphs (2) and (3) and may include any other incentives designed by the public housing agency in addition to the incentives under such paragraphs.".

(i) ACTION PLAN.—Section 23(g)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437u(g)(3)) is amended—

(1) by redesignating subparagraphs (D) through (G) as subparagraphs (E) through (H), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) a description of the incentives pursuant to subsection (d) offered by the public housing agency to families to encourage participation in the program;".

(j) APPLICABILITY TO INDIAN HOUSING AUTHORITIES.—Section 23(o)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(o)(2)) is amended—

(1) by inserting "low-income housing and" before "public housing";

(2) by inserting ", assisted," after "developed"; and

(3) by inserting before the period at the end the following: ", but only if and to the extent that the Indian housing authority, in the discretion of the authority, determines that this section shall apply".

(k) REPEAL OF INCENTIVE AWARD ALLOCATION.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(1) by striking subsection (i); and

(2) by redesignating subsections (j) through (o) (as amended by this section) as subsections (i) through (n), respectively.

(l) APPLICABILITY.—The amendments made by this section shall apply with respect to fiscal year 1993 and thereafter.

Subtitle B—Public and Indian Housing

SEC. 111. MAJOR RECONSTRUCTION OF OBSOLETE PROJECTS.

(a) IN GENERAL.—Section 5(j)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)(2)) is amended to read as follows:

"(2)(A) Notwithstanding any other provision of law, the Secretary may reserve not more than 20 percent of any amounts appropriated for development of public housing in each fiscal year for the substantial redesign, reconstruction, or redevelopment of existing obsolete public housing projects or buildings and for the costs of improving the management and operation of projects undergoing redesign, reconstruction, or redevelopment under this paragraph (to the extent that such improvement is necessary to maintain the physical improvements resulting from such redesign, reconstruction, or redevelopment).

"(B) For purposes of this paragraph, the term 'obsolete public housing project or building' means a public housing project or building (i) having design or marketability problems resulting in vacancy in more than 25 percent of the units, or (ii)(I) for which the costs for redesign, reconstruction, or redevelopment (including any costs for lead-based paint abatement activities) exceed 70 percent of the total development cost limits for new construction of similar units in the area and (II) which has an occupancy density or a building height that is significantly in excess of that which prevails in the neighborhood in which the project is located, a bedroom configuration that could be altered to better serve the needs of families seeking occupancy to dwellings of the public housing agency, significant security problems in and around the project, or significant physical deterioration or inefficient energy and utility systems.

"(C) The Secretary shall allocate amounts reserved under this section to public housing agencies on the basis of a competition among public housing agencies applying for such amounts. The competition shall be based on—

"(i) the management capability of the public housing agency to carry out the redesign, reconstruction, or redevelopment;

"(ii) the expected term of the useful life of the project or building after redesign, reconstruction or redevelopment; and

"(iii) the likelihood of achieving full occupancy within the projects or buildings of the agency that are to be assisted under this paragraph.

"(D) The Secretary shall establish limitations on the total costs of any project or building receiving amounts under this paragraph for redesign, reconstruction, and redevelopment. The cost limitations shall not be related to the total development cost system for new development or to the cost limits for modernization and shall recognize the higher direct costs of such work.

"(E) Assistance may not be provided under this paragraph for any project or building assisted under section 14.".

(b) MODERNIZATION AND DISPOSITION REQUIREMENTS.—

(1) MODERNIZATION.—Section 14(c) of the United States Housing Act of 1937 (42 U.S.C. 1437l(c)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by inserting "buildings of" after "for"; and

(ii) by striking "which";

(B) in each of paragraphs (1), (2), (3), and (4), by inserting "which projects" after the paragraph designation;

(C) in paragraph (3), by striking "and" at the end;

(D) by redesignating paragraph (4) as paragraph (5); and

(E) by inserting after paragraph (3) the following new paragraph:

"(4) which buildings are not assisted under section 5(j)(2); and".

(2) DEMOLITION AND DISPOSITION.—Section 18(a) of the United States Housing Act of 1937 (42 U.S.C. 1437q(a)) is amended—

(A) in paragraph (1), by striking "or" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "; or"; and

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

"(3) in the case of an application proposing demolition or disposition of any portion of a public housing project, assisted at any time under section 5(j)(2)—

"(A) such assistance has not been provided for the portion of the project to be demolished or disposed within the 10-year period ending upon submission of the application; or

"(B) the property's retention is not in the best interest of the tenants or the public housing agency because of extraordinary changes in the area surrounding the project or other extraordinary circumstances of the project.".

(c) REGULATIONS.—The Secretary shall issue regulations necessary to carry out the amendments made by this section as provided under section 191 of this Act. Notwithstanding sections 583(a) and 585(a) of title 5, United States Code (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), the regulations shall be issued pursuant to a negotiated rulemaking procedure under subchapter IV of chapter 5 of such title (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

SEC. 112. PUBLIC HOUSING TENANT PREFERENCES.

Section 6(c)(4)(A)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)(i)) is amended by inserting before the semicolon at the end the following: "; subject to the additional requirement that, in the case of any project of more than 25 units, such tenant selection criteria shall give preference to such families for not less than 50 percent of the units in such project that are made available for occupancy in a given year".

SEC. 113. PUBLIC HOUSING OPERATING SUBSIDIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 9(c) of the United States Housing Act of 1937 (42 U.S.C. 1437g(c)) is amended to read as follows:

"(c)(1) There is authorized to be appropriated for purposes of providing annual contributions under this section $2,169,440,000 for fiscal year 1993.

"(2) There is also authorized to be appropriated to provide annual contributions under this section, in addition to amounts under paragraph (1), such sums as may be necessary for fiscal year 1993 to provide each public housing agency with the difference between (A) the amount provided to the agency from amounts appropriated pursuant to paragraph (1), and (B) all funds for which the agency is eligible under the performance funding system without adjustments for estimated or unrealized savings.

"(3) In addition to amounts under paragraphs (1) and (2), there is authorized to be appropriated for annual contributions under this section to provide for the costs of the adjustments to income and adjusted income under the amendments made by sections 573(b) and (c) of the Cranston-Gonzalez National Affordable Housing Act such sums as may be necessary for fiscal year 1993.".

(b) ADJUSTMENT OF PERFORMANCE FUNDING SYSTEM.—Section 9(a)(3)(A) is amended by inserting after the period at the end the following new sentence: "Notwithstanding sections 583(a) and 585(a) of title 5, United States Code (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), any proposed regulation providing for amendment, alteration, adjustment, or other change to the performance funding system relating to vacant public housing units shall be issued pursuant to a negotiated rulemaking procedure under subchapter IV of chapter 5 of such title (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.".

SEC. 114. PUBLIC HOUSING VACANCY REDUCTION.

(a) FUNDING.—Section 14(p)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(5)) is amended to read as follows:

"(5) Of any amounts available under this section after amounts are reserved pursuant to subsection (k)(1), an amount equal to 9 percent of such remaining funds shall be available in fiscal year 1993 for carrying out this section.".

(b) AVAILABILITY OF ASSISTANCE.—Section 14(p)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(4)) is amended by striking the first comma and all that follows through the second comma and inserting ", subject to the availability of amounts under paragraph (5),".

(c) USE OF AMOUNTS FOR ASSESSMENT TEAMS.—Section 14(p)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(3)) is amended by adding at the end the following new subparagraph:

"(D) The Secretary may use amounts made available under paragraph (5) for any travel and administrative expenses of assessment teams under this paragraph.".

(d) ASSESSMENT TEAM.—The second sentence of section 14(p)(3)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(3)(A)) is amended—

(1) by striking "and" after "Development" and inserting a comma; and

(2) by striking "who" and inserting "and officials of the public housing agency, all of whom".

(e) TECHNICAL CORRECTIONS.—Section 14(p)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(2)) is amended—

(1) in clause (D), by striking "modernization, reconstruction" and inserting "comprehensive modernization, major reconstruction"; and

(2) in clause (E), by striking "the modernization" and inserting "the comprehensive modernization".

SEC. 115. PUBLIC HOUSING DEMOLITION AND DISPOSITION.

Section 18(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437p(b)(1)) is amended by inserting "of the project or portion of the project covered by the application" after "tenant cooperative".

SEC. 116. PUBLIC HOUSING RESIDENT MANAGEMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 20(f)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437r(f)(3)) is amended to read as follows:

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1993.".

(b) MANAGEMENT INDICATORS AND REPORT.—Section 20(g) of the United States Housing Act of 1937 (42 U.S.C. 1437r(g)) is amended to read as follows:

"(g) MANAGEMENT INDICATORS AND REPORT.—

"(1) INDICATORS.—Not later than the expiration of the 12-month period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall develop and publish in the Federal Register indicators and procedures by which to as-

sess the management performance of resident management corporations under this Act. The Secretary shall use such indicators and procedures to evaluate such performance. The indicators developed under this paragraph and any enforcement procedures shall, to the extent practicable, be based on the indicators and procedures developed under section 6(j) for assessing the performance of public housing agencies.

"(2) REPORTS.—The Secretary shall annually submit a report to the Congress containing any findings of the Secretary as a result of evaluating and assessing the performance of resident management corporations under this Act and any recommendations of the Secretary with respect to such findings.".

SEC. 117. PUBLIC HOUSING HOMEOWNERSHIP.

(a) HOMEOWNERSHIP ASSISTANCE.—Section 21(a)(2)(C) of the United States Housing Act of 1937 (42 U.S.C. 1437s(a)(2)(C)) is amended—

(1) in the first sentence, by striking "the effective date of the regulations implementing title III of this Act" and inserting "February 4, 1991"; and

(2) in the second sentence—

(A) by striking "effective"; and

(B) by striking "such Act" and inserting "the Cranston-Gonzalez National Affordable Housing Act".

(b) CONDITIONS OF PURCHASE.—Section 21(a)(3)(C) of the United States Housing Act of 1937 (42 U.S.C. 1437s(a)(3)(C)) is amended—

(1) in the first sentence, by striking "the effective date of the regulations implementing title III of this Act" and inserting "February 4, 1991"; and

(2) in the second sentence—

(A) by striking "effective"; and

(B) by striking "such title" and inserting "the Cranston-Gonzalez National Affordable Housing Act".

SEC. 118. PUBLIC HOUSING FAMILY INVESTMENT CENTERS.

Section 22(k) of the United States Housing Act of 1937 (42 U.S.C. 1437t(k)) is amended to read as follows:

"(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $27,144,000 for fiscal year 1993.".

SEC. 119. PUBLIC HOUSING EARLY CHILDHOOD DEVELOPMENT SERVICES.

Section 222(g) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z-6 note) is amended to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $21,736,000 for fiscal year 1993. Any amount appropriated pursuant to this subsection shall remain available until expended.".

SEC. 120. INDIAN HOUSING CHILDHOOD DEVELOPMENT SERVICES.

(a) FUNDING.—Section 518(a) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z-6 note) is amended by striking the subsection designation and all that follows through the end of the first sentence and inserting the following:

"(a) FUNDING.—Of any amounts appropriated under section 222(g) of the Housing and Urban-Rural Recovery Act of 1983, such sums as may be necessary may be used to carry out the demonstration program under this section.".

(b) ELIGIBLE RECIPIENTS.—The second sentence of section 518(a) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z-6 note) is amended—

(1) by inserting ", Indian housing authorities, and Indian tribes" after "nonprofit organizations"; and

(2) by inserting ", housing authorities, and tribes" after "such organizations".

SEC. 121. EXEMPTION OF INDIAN HOUSING PROGRAM FROM NEW CONSTRUCTION LIMITATION.

Section 201(c) of the United States Housing Act of 1937 (42 U.S.C. 1437aa(c)) is amended by inserting before the period at the end the following: "or section 6(h) of the United States Housing Act of 1937 (relating to a limitation on contracts involving new construction)".

SEC. 122. PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.

Section 521(g) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note) is amended to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for carrying out the demonstration program under this section such sums as may be necessary for fiscal year 1993.".

SEC. 123. NATIONAL COMMISSION ON DISTRESSED PUBLIC HOUSING.

(a) TERMINATION.—Section 507 of the Department of Housing and Urban Development Reform Act of 1989 (12 U.S.C. 1715z-1a note) is amended by striking "upon the expiration of 18 months following the appointment of all the members under section 503(a)" and inserting "at the end of September 30, 1992".

(b) AUDIT.—Not later than November 30, 1992, the Comptroller General of the United States shall conduct an audit of the financial transactions of the National Commission on Distressed Public Housing to determine the use of any amounts received by the Commission from the Federal Government before October 1, 1992, and shall submit a report to the Congress regarding the results of the audit. The Comptroller General and any duly authorized representatives of the Comptroller General shall have access to, and the right to examine and copy, all records and other recorded information in any form, and to examine any property, within the possession and control of the Commission that the Comptroller General considers relevant to the audit.

SEC. 124. NATIONAL COMMISSION ON AMERICAN INDIAN, ALASKA NATIVE, AND NATIVE HAWAIIAN HOUSING.

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 605 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 1437aa note) is amended to read as follows: "There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal year 1993.".

(b) EXTENSION OF TERMINATION DATE.—Section 602(g) of the Department of Housing and Urban Development Reform Act of 1989 (12 U.S.C. 1437aa note) is amended by striking "upon the expiration of 18 months after all members of the Commission are appointed under paragraph (1)" and inserting "on October 1, 1993".

SEC. 125. PUBLIC HOUSING HOMEOWNERSHIP DEMONSTRATION.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development shall carry out a program to facilitate self-sufficiency and homeownership of single-family homes administered by the Housing Authority of the City of Omaha, in the State of Nebraska (in this section referred to as the "Housing Authority"), to demonstrate the effectiveness of promoting homeownership and providing support services.

(b) PARTICIPATING PUBLIC HOUSING UNITS.—For purposes of the demonstration program, the Secretary shall authorize the Housing Authority to designate single-family housing units for eventual homeownership. Over the term of the demonstration, the demonstration program may be applied to not more than 20 percent of the total number of public housing units administered by the Housing Authority.

(c) NONDISPLACEMENT.—No person who is a tenant of public housing may be involuntarily relocated or displaced as a result of the demonstration program.

(d) ECONOMIC SELF-SUFFICIENCY.—The Housing Authority shall establish criteria for participation of families in the demonstration program. Such criteria shall be based on factors that may reasonably be expected to predict the individual's ability to successfully complete the requirements of the demonstration program and shall include evidence of interest by the family in homeownership, the status and history of employment of family members, maintenance by the family of the family's previous dwelling.

(e) PROVISION OF SUPPORTIVE SERVICES.—The Housing Authority shall ensure the availability of supportive services to each family participating in the demonstration program through its own resources and through coordination with Federal, State, and local agencies and private entities. Supportive services available under the demonstration program may include counseling, remedial education, education for completion of high school, job training and preparation, financial counseling services emphasizing planning for homeownership, and any other appropriate services.

(f) REPORTS TO CONGRESS.—Upon expiration of each 2-year period during the term of the demonstration program (the first such period beginning on the date of the enactment of this Act), the Secretary of Housing and Urban Development shall submit to the Congress a report evaluating the effectiveness of the demonstration program. Not later than the expiration of the 60-day period beginning on the date of the termination of the demonstration program, the Secretary shall submit to the Congress a final report evaluating the effectiveness of the demonstration program. The report shall include findings and recommendations for any legislative action appropriate to establish a permanent program based on the demonstration program.

(g) REGULATIONS.—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary shall issue interim regulations to carry out this section, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

(h) TERMINATION.—The demonstration program shall terminate upon the expiration of the 10-year period beginning on the date of the enactment of this Act.

SEC. 126. SALE OF CERTAIN SCATTERED-SITE HOUSING.

The Secretary of Housing and Urban Development shall authorize the Delaware State Housing Authority in the State of Delaware to sell scattered-site public housing of the authority under the provisions of section 5(h) of the United States Housing Act of 1937. Any proceeds from the disposition of such housing shall be used to purchase replacement scattered site dwellings, which shall be considered public housing for the purposes of such Act and for which the Secretary shall provide annual contributions for operation, using any amounts made available under section 9(c).

Subtitle C—Section 8 Assistance

SEC. 141. RESTATEMENT AND REVISION OF SECTION 8 RENTAL ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended to read as follows:

"RENTAL HOUSING ASSISTANCE FOR LOW-INCOME FAMILIES

"SEC. 8. (a) AUTHORITY AND PURPOSE.—

"(1) IN GENERAL.—For the purposes of aiding low-income families in obtaining a decent place to live and promoting economically mixed housing, the Secretary may provide assistance payments with respect to existing housing in accordance with the provisions of this section.

"(2) ELDERLY HOUSING.—Notwithstanding any other provision of this Act, assistance payments under this section may be provided, in accordance with regulations prescribed by the Secretary, with respect to some or all of the units in any project approved pursuant to section 202 of the Housing Act of 1959 (as in effect before October 1, 1991).

"(b) ANNUAL CONTRIBUTIONS CONTRACTS FOR RENTAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary may enter into annual contributions contracts under this subsection with public housing agencies to provide rental housing assistance under this section for low-income families. The Secretary shall enter into a separate annual contributions contract with each public housing agency to obligate the authority approved each year. Each such annual contributions contract shall bind the Secretary to make such authority, and any amendments increasing such authority, available to the public housing agency for a specified period.

"(2) SECRETARY ACTING AS PHA.—In areas where no public housing agency has been organized or where the Secretary determines that a public housing agency is unable to implement the provisions of this section, the Secretary may enter into such contracts and perform the other functions assigned to a public housing agency by this section.

"(c) ASSISTANCE CONTRACTS.—

"(1) IN GENERAL.—Each public housing agency that receives amounts under an annual contributions contract may enter into assistance contracts to make rental assistance payments to owners of existing dwelling units in accordance with the provisions of this section.

"(2) PHA ACTING AS OWNER.—A public housing agency may contract to make rental assistance payments under this section to itself (or any agency or instrumentality thereof) as the owner of dwelling units, but only if the agency is subject to the same program requirements as are applied to other owners. In such cases, the Secretary may establish initial rents within applicable limits.

"(3) INAPPLICABLE PROVISIONS.—Sections 5(e) and 6 and any other provisions of this Act that are inconsistent with the provisions of this section shall not apply to assistance contracts entered into pursuant to this section.

"(d) MAXIMUM MONTHLY RENT.—

"(1) IN GENERAL.—Each assistance contract entered into pursuant to this section shall establish the maximum monthly rent (including utilities and all maintenance and management charges) that the owner is entitled to receive for each dwelling unit for which rental assistance payments are to be made under the contract. Except as provided in paragraph (2), the maximum monthly rent shall not exceed by more than 10 percent the fair market rental under subsection (e) for the market area in which the dwelling unit is located. If units assisted under this section are exempt from local rent control while they are so assisted or otherwise, the maximum monthly rent for such units shall be reasonable in comparison with other units in the market area that are exempt from local rent control.

"(2) EXCEPTIONS.—The maximum monthly rent may exceed the fair market rental—

"(A) by more than 10 but not more than 20 percent, only if the Secretary determines that special circumstances warrant such higher maximum rent or that such higher rent is necessary to the implementation of a housing strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; or

"(B) by such higher amount, only if requested by the low-income family assisted and approved by the public housing agency in accordance with subsection (f)(2).

"(3) ANNUAL ADJUSTMENTS.—Each assistance contract shall provide for adjustment in the maximum monthly rents for units covered by the contract not less than annually to reflect changes in the fair market rentals established under subsection (e) for the housing area for similar types and sizes of dwelling units or, if the Secretary determines, on the basis of a reasonable formula.

"(4) ADJUSTMENTS DUE TO EXPENSES.—Each assistance contract shall further provide for the Secretary to make additional adjustments in the maximum monthly rent for units assisted under the contract to the extent the Secretary determines such adjustments are necessary to reflect increases in the actual and necessary expenses of owning and maintaining the units that have resulted from substantial general increases in real property taxes, utility rates, or similar costs that are not adequately compensated for by the adjustment in the maximum monthly rent authorized by paragraph (3).

"(5) ADJUSTMENTS DUE TO DRUG-RELATED CRIMINAL ACTIVITY.—If the Secretary determines that a project assisted under this section is located in a community where drug-related criminal activity is generally prevalent and the operating, maintenance, and capital repair expenses for the project have been substantially increased primarily as a result of the prevalence of such activity, the Secretary may (at the discretion of the Secretary and subject to the availability of appropriations for contract amendments for this purpose), on a project-by-project basis, provide adjustments to the maximum monthly rents, to a level not exceeding 120 percent of the project rents, to cover the costs of maintenance, security, capital repairs, and reserves required for the owner to carry out a strategy acceptable to the Secretary for addressing the problem of drug-related criminal activity. The Secretary may waive the applicability of any rent comparability standard required under this subsection to implement this paragraph.

"(6) LIMITATIONS ON ADJUSTMENTS.—

"(A) GENERAL COMPARABILITY RULE.—Adjustments in the maximum rents under paragraphs (3), (4), and (5) shall not result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, as determined by the Secretary.

"(B) COMPARABILITY STUDIES.—

"(i) To carry out subparagraph (A), the Secretary shall issue regulations to provide for conducting comparability studies for projects where the Secretary has reason to believe that the application of the formula adjustments under paragraph (3) would result in such material differences. The Secretary shall conduct such studies upon the request of any owner of any project, or as the Secretary determines to be appropriate by establishing, to the extent practicable, a modified annual adjustment factor for such market area, as the Secretary shall designate, that is geographically smaller than the applicable housing area used for the establishment of the annual adjustment factor under paragraph (3). The Secretary shall establish such modified annual adjustment factor on the basis of the results of a study conducted by the Secretary of the rents charged, and any change in such rents over the previous year, for assisted units and unassisted units of similar quality, type, and age in the smaller market area. Where the Secretary determines that such modified annual adjustment factor cannot be established or that such factor when applied to a particular project would result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, the Secretary may apply an alternative methodology for conducting comparability studies in order to establish rents that are not materially different from rents charged for comparable unassisted units.

"(ii) If the Secretary or appropriate State agency does not complete and submit to the project owner a comparability study not later than 60 days before the anniversary date of the assistance contract under this section, the automatic annual adjustment factor shall be applied. The Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under this section (including projects assisted under this section as in effect prior to November 30, 1983), unless the project has been refinanced in a manner that reduces the periodic payments of the owner. Any maximum monthly rent that has been reduced by the Secretary after April 14, 1987, and prior to November 7, 1988, shall be restored to the maximum monthly rent in effect on April 15, 1987.

"(iii) For any project which has had its maximum monthly rents reduced after April 14, 1987, the Secretary shall make assistance payments (from amounts reserved for the original contract) to the owner of such project in an amount equal to the difference between the maximum monthly rents in effect on April 15, 1987, and the reduced maximum monthly rents, multiplied by the number of months that the reduced maximum monthly rents were in effect.

"(e) FAIR MARKET RENTALS.—

"(1) IN GENERAL.—The Secretary shall establish fair market rentals under this subsection periodically, but not less than annually, for existing rental dwelling units suitable for occupancy by low-income families assisted under this section. The Secretary shall establish the fair market rental by market area for various sizes and types of dwelling units.

"(2) EFFECTIVENESS AND ADJUSTMENT.—The Secretary shall publish proposed fair market rentals for each area in the Federal Register with reasonable time for public comment, and such fair market rentals shall become effective upon the date of publication in final form in the Federal Register. Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by families assisted under this section.

"(3) CERTAIN AREAS.—The Secretary shall establish separate fair market rentals under this subsection for Westchester County in the State of New York. The Secretary shall also establish separate fair market rentals under this paragraph for Monroe County in the Commonwealth of Pennsylvania. In establishing fair market rentals for the remaining portion of the market areas in which Monroe County is located, the Secretary shall establish the fair market rentals as if such portion included Monroe County.

"(f) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(1) IN GENERAL.—The amount of the monthly assistance payment under this section with respect to any dwelling unit shall be the difference between the maximum monthly rent that the contract provides that the owner is to receive for the unit and the rent the family is required to pay under section 3(a).

"(2) INCREASED FAMILY PAYMENT.—

"(A) REQUIREMENTS.—A family on behalf of whom tenant-based assistance payments are

made under this section may pay as rent for a dwelling unit assisted under this section more than the amount specified under section 3(a), but only if—

"(i) the family notifies the public housing agency of its interest in a unit renting for an amount which exceeds the permissible maximum monthly rent established for the market area under subsection (d);

"(ii) such agency determines that the rent for the unit and the rental payments of the family are reasonable, after taking into account other family expenses (including child care, unreimbursed medical expenses, transportation, and other appropriate family expenses); and

"(iii) such amount does not exceed 40 percent of the family's monthly adjusted income.

"(B) LIMITATION AND REPORTS BY PHA'S.—For any fiscal year, a public housing agency may not approve excess rentals under this paragraph with respect to more than 50 percent of the tenant-based rental assistance allocated under this section for the public housing agency for the year. Any public housing agency that, in any fiscal year, approves such excess rentals for more than 5 percent of its total allocation of tenant-based rental assistance shall submit a report to the Secretary not later than 30 days after the end of the fiscal year. The report shall be submitted in such form and in accordance with such procedures as the Secretary shall establish and shall describe the public housing agency's reasons for making the exceptions, including any available evidence that the exceptions were made necessary by problems with the fair market rental established for the area. The Secretary shall ensure that each report submitted under this subparagraph is readily available for public inspection for a period of not less than 3 years, beginning not less than 30 days after the date on which the report is submitted to the Secretary.

"(C) ANNUAL REPORT BY SECRETARY.—The Secretary shall, not later than 3 months after the end of each fiscal year, submit a report to Congress that identifies the public housing agencies that have submitted reports for such fiscal year under subparagraph (B), summarizes and assesses such reports, and includes recommendations for such legislative or administrative actions that the Secretary considers appropriate to correct problems identified in such reports.

"(3) INCREASES IN ASSISTANCE PAYMENTS.—The Secretary shall take any action necessary, including making contracts for assistance payments in amounts exceeding the amounts required upon the initial renting of dwelling units, reserving annual contributions authority for the purpose of amending assistance contracts, or allocating a portion of new authorizations for the purpose of amending assistance contracts, to ensure that assistance payments are increased on a timely basis to cover increases in maximum monthly rents or decreases in family incomes.

"(4) REVIEWS OF FAMILY INCOMES.—Reviews of family incomes for purposes of this section shall be made no less frequently than annually. The Secretary shall establish procedures which are appropriate and necessary to ensure that income data provided to public housing agencies and owners by families applying for or receiving assistance under this section is complete and accurate. In establishing such procedures, the Secretary shall annually select a random sample of families to authorize the Secretary to obtain information on the families for the purpose of income verification, or to allow the families to provide such information themselves. Such information may include data concerning unemployment compensation and Federal income taxation and data relating to benefits made available under the Social Security Act, the Food Stamp Act of 1977, or title 38, United States Code. Any such information received pursuant to this paragraph shall remain confidential and shall be used only for the purpose of verifying incomes in order to determine eligibility of families for benefits (and the amount of such benefits, if any) under this section.

"(g) ELIGIBILITY OF UNITS FOR ASSISTANCE.—

"(1) OCCUPANCY.—Each assistance contract shall provide that assistance payments may be made only with respect to the following dwelling units:

"(A) OCCUPIED UNITS.—A dwelling unit under lease for occupancy by a family determined to be a low-income family at the time it initially occupies the dwelling unit.

"(B) UNOCCUPIED UNITS.—An unoccupied dwelling unit, but only if (i) a family vacates the dwelling unit before the expiration date of the lease for occupancy, or (ii) a good faith effort is being made to fill the unoccupied unit. Payments for units referred to in this subparagraph may be made only for a period not exceeding 60 days, except that such payments may be made, in the case of a newly constructed or substantially rehabilitated project, after the expiration of such 60-day period in an amount equal to the debt service attributable to such an unoccupied dwelling unit for a period not to exceed one year, if a good faith effort is being made to fill the unit and the unit provides decent, safe, and sanitary housing. No such payment may be made after the expiration of such 60-day period if the Secretary determines that the dwelling unit is in a project which provides the owner with revenues exceeding the costs incurred by such owner with respect to such project.

"(2) NUMBER OF ASSISTED UNITS PER STRUCTURE.—Assistance payments may be made with respect to up to 100 percent of the dwelling units in any structure upon the application of the owner or prospective owner. Among projects that apply for project-based assistance containing more than 50 units and designed for use primarily for nonelderly and nonhandicapped persons which are not subject to mortgages purchased under section 305 of the National Housing Act, the Secretary may give preference to applications for assistance involving not more than 20 percent of the dwelling units in a project. In according any such preference, the Secretary shall compare applications received during distinct time periods not exceeding 60 days in duration.

"(h) OTHER PROVISIONS OF ASSISTANCE CONTRACTS.—Contracts to make assistance payments entered into by any public housing agency (or by the Secretary) with an owner of existing housing units shall meet the following requirements:

"(1) CONTRACT TERM.—Each assistance contract shall have a term of not less than one month nor more than 180 months. The Secretary shall permit public housing agencies to enter into assistance contracts having terms of less than 12 months to the extent necessary to avoid disruption in assistance to eligible families if the annual contributions contract for the agency under subsection (b) will expire within one year.

"(2) TENANT SELECTION.—Each assistance contract shall provide that the selection of tenants for such dwelling units shall be the function of the owner, subject to any provisions of the annual contributions contract between the Secretary and the agency. The owner shall use tenant selection criteria, which shall provide as follows:

"(A) PRIMARY PREFERENCES.—For (i) not less than 70 percent of the families who initially receive project-based assistance, and (ii) not less than 90 percent of the families who initially receive tenant-based assistance in any 1-year period, the criteria shall give preference to families that (I) occupy substandard housing (including families that are homeless or living in a shelter for homeless families), (II) are paying more than 50 percent of family income for rent, (III) are involuntarily displaced at the time they are seeking assistance under this section, or (IV) are residing in public housing.

"(B) SECONDARY PREFERENCES.—For any remaining assistance in any 1-year period, the criteria shall give preference to families who qualify under a system of local preferences established by the public housing agency in writing and after public hearing to respond to local housing needs and priorities, which may include (i) assisting very low-income families who either reside in transitional housing assisted under title IV of the Stewart B. McKinney Homeless Assistance Act or participate in a program designed to provide public assistance recipients with greater access to employment and educational opportunities; (ii) assisting families in accordance with subsection (q)(1)(B); (iii) assisting families identified by local public agencies involved in providing for the welfare of children as having a lack of adequate housing that is a primary factor in the imminent placement of a child in foster care, or in preventing the discharge of a child from foster care and reunification with his or her family; (iv) assisting youth, upon discharge from foster care, in cases in which return to the family or extended family or adoption is not available; and (v) achieving other objectives of national housing policy as established by law.

"(C) PROHIBITION OF PERSONS ENGAGED IN DRUG ACTIVITY.—The criteria shall prohibit any individual or family evicted from housing assisted under this Act by reason of drug-related criminal activity from having a preference under any provision of this paragraph for 3 years unless the evicted tenant successfully completes a rehabilitation program approved by the agency or owner. The agency or the owner may waive the application of the preceding sentence under standards established by the Secretary, which shall provide for such waiver for any member of a family of an individual prohibited from tenancy under this subparagraph who the agency or owner determines clearly did not participate in and had no knowledge of such criminal activity or when circumstances leading to eviction no longer exist.

"(D) OTHER REQUIREMENTS.—With respect only to project-based assistance, the criteria shall—

"(i) be consistent with the purpose of improving housing opportunities for very low-income families;

"(ii) be reasonably related to program eligibility and an applicant's ability to perform the obligations of the assisted lease;

"(iii) be established in writing; and

"(iv) provide for the owner to promptly provide to any rejected applicant (I) written notice of the grounds for the rejection, and (II) an opportunity to meet with the decision maker to evaluate the validity of the reasons for rejection and rectify any erroneous decisions.

"(3) LEASE TERM.—Each assistance contract shall provide that the lease between the tenant of any unit and the owner shall be for at least one year or the term of such assistance contract, whichever is shorter, and shall contain other terms and conditions specified by the Secretary.

"(4) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each assistance contract shall provide that the owner shall not terminate the tenancy of the tenant of any unit except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause.

"(5) TERMINATION FOR CRIMINAL ACTIVITY.—Each assistance contract shall provide that any criminal activity that threatens the health, safe-

ty, or right to peaceful enjoyment of the premises by other tenants, any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises, or any drug-related criminal activity on or near such premises, engaged in by a tenant of any unit, any member of the tenant's household, or any guest or other person under the tenant's control, shall be cause for termination of tenancy.

"(6) NOTICE OF TERMINATION OF TENANCY.—The contract shall provide that before terminating the tenancy of any tenant, the owner shall provide written notice to the tenant specifying the legal and factual grounds for such action. Such notice shall be provided to the tenant not less than 30 days before termination, except that in cases of termination for nonpayment of rent such notice shall be provided not less than 14 days before termination.

"(7) MAINTENANCE AND REPLACEMENT.—Each assistance contract shall provide that maintenance and replacement (including redecoration) shall be performed in accordance with the standard practice for the building concerned as established by the owner and agreed to by the agency (or the Secretary). With the approval of the Secretary, the public housing agency administering a contract under this section with respect to existing housing units may exercise all management and maintenance responsibilities with respect to the units pursuant to a contract between such agency and the owner of such units. Each assistance contract shall also provide that, if the agency (or the Secretary) determines that an unit assisted under this section fails to comply in any material respect with standards for housing quality for units so assisted, the agency (or the Secretary) may withhold some or all of the assistance amounts under this section with respect to such unit and promptly—

"(A) use such amounts to make necessary repairs or contract to have such repairs made;

"(B) release any withheld amounts to the owner after repairs are made by the owner, in an amount not exceeding the cost of the repairs;

"(C) release any withheld amounts to the applicable State or local housing agency after repairs are made by such agency, in an amount not exceeding the cost of the repairs; or

"(D) upon the request of the tenant, release any withheld amounts to—

"(i) the tenant to reimburse the tenant for the reasonable cost of any necessary repairs performed or paid for by the tenant; or

"(ii) such person secured by the tenant and approved by the agency (or the Secretary) to make such necessary repairs.

If an agency (or the Secretary) withholds any assistance amounts pursuant to the preceding sentence, the agency (or the Secretary) may not terminate the assistance contract unless and until the tenant has relocated to decent, safe, and sanitary housing.

"(8) OTHER.—Each assistance contract shall provide that the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by the agency and owner.

"(i) PROJECT-BASED ASSISTANCE.—

"(1) AUTHORITY.—Pursuant to an annual contributions contract entered into under subsection (b), a public housing agency may enter into a assistance contract providing for assistance payments under this section that are attached to a structure, with the permission of the Secretary.

"(2) LIMITATION ON AMOUNT OF PROJECT-BASED ASSISTANCE.—

"(A) IN GENERAL.—The Secretary shall permit a public housing agency to approve project-based assistance under this subsection with respect to not more than 15 percent of the assistance provided by the public housing agency if the owner agrees to rehabilitate the structure other than with assistance under this Act and the owner otherwise complies with the requirements of this section.

"(B) INCREASED AMOUNT.—A public housing agency and an applicable State agency may, on a priority basis, provide project-based assistance with respect to not more than 30 percent of the assistance provided by the public housing agency or the applicable State agency, but only if—

"(i) the Secretary approves such action and the owner otherwise complies with the requirements of this section; and

"(ii) any amount of project-based assistance provided in excess of the amount permitted under subparagraph (A)—

"(I) is attached to projects assisted under a State program that permits the owner of the projects to prepay a State assisted or subsidized mortgage on the structure;

"(II) is attached for the purpose of providing incentives to owners to preserve such projects for occupancy by lower- and moderate-income families (for the period that assistance under this subparagraph is available) and assisting lower-income tenants to afford any increases in rent that may be required to induce the owner to maintain occupancy in the project by lower and moderate income tenants.

Any assistance provided to lower-income tenants under this subparagraph shall not be considered for purposes of the limitation under subsection (h)(2) regarding the percentage of families that may receive assistance under this section who do not qualify for preferences under such subsection.

"(3) NEW STRUCTURES.—The Secretary shall permit any public housing agency to approve project-based assistance under this subsection that is attached to any newly constructed structure if—

"(A) the owner or prospective owner agrees to construct the structure other than with assistance under this Act and otherwise complies with the requirements of this section; and

"(B) the aggregate project-based assistance provided by the public housing agency pursuant to this paragraph and paragraph (2)(B) does not exceed 15 percent of the assistance provided by the public housing agency.

"(4) LONG-TERM AFFORDABILITY.—In the case of an assistance contract for project-based assistance under this subsection, a public housing agency shall enter into a contract with an owner, contingent upon the future availability of appropriations for the purpose of renewing expiring contracts for assistance payments as provided in appropriations Acts, to extend the term of the underlying assistance contract for such period or periods as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have the extensions of the assistance contract accepted by the owner and the owner's successors in interest. To the extent assistance is used as provided in paragraph (2)(B), the contract for assistance may, at the option of the public housing agency, have an initial term not exceeding 15 years.

"(5) ANNUAL REPORT.—The Secretary shall annually survey public housing agencies to determine which public housing agencies have, in providing assistance under this section in the year, reached the percentage limitations under paragraphs (2) and (3), and shall submit a report to the Congress each year regarding the results of the survey.

"(j) TERMINATION OF ASSISTANCE CONTRACTS.—

"(1) NOTICE BY OWNER.—Any owner terminating any assistance contract shall provide written notice to the Secretary and the tenants involved of the proposed termination not less than one year before the termination of the contract (but not less than 90 days in the case of tenant-based assistance). The notice shall specify the date of the termination and the reasons for the termination, with detail sufficient to enable the Secretary to evaluate whether the termination is lawful and whether additional actions can be taken by the Secretary to avoid the termination. The notice shall include a statement that the owner and the Secretary may agree to a renewal of the contract, thus avoiding the termination.

"(2) REVIEW OF NOTICE BY SECRETARY.—The Secretary shall review the notice, shall consider whether additional actions can be taken by the Secretary to avoid the termination, and shall ensure a proper adjustment of the contract rents for the project in compliance with the requirements of subsection (d) and paragraph (3) of this subsection. The Secretary shall issue a written finding of the legality of the termination and the reasons for the termination, including the actions considered or taken to avoid the termination. Within 30 days after issuance of the findings, the owner shall provide written notice to each tenant of the decision, together with the written findings of the Secretary regarding the termination. In the case of project-based assistance, the Secretary and the owner shall complete the actions under this paragraph not later than the expiration of the 9-month period beginning upon the date that the owner provides written notice of termination under paragraph (1).

"(3) ADJUSTMENT OF CONTRACT RENT.—If an owner provides notice of proposed termination under paragraph (1) and the contract rent is less than the maximum monthly rent for units assisted under this section, the Secretary shall adjust the contract rent based on the maximum monthly rent for units assisted under this section and the value of the low-income housing.

"(4) NOTICE OF RENT INCREASES.—Each assistance contract for project-based assistance under this section shall require the owner to notify tenants at least 90 days before the expiration of the contract of any rent increase which may occur as a result of the expiration of such contract.

"(5) DEFINITION OF TERMINATION.—For purposes of this subsection, the term 'termination' means the expiration of the assistance contract or the refusal of the owner to renew an assistance contract, which shall include the termination of tenancy by an owner for business reasons.

"(k) RENTAL ASSISTANCE FOR MANUFACTURED HOUSING.—

"(1) IN GENERAL.—The Secretary may enter into contracts to make assistance payments under this subsection to assist low-income families by making rental assistance payments on behalf of any such family that utilizes a manufactured home as its principal place of residence. In carrying out this subsection, the Secretary may—

"(A) enter into annual contributions contracts with public housing agencies pursuant to which such agencies may enter into assistance contracts to make such assistance payments to the owners of such real property; or

"(B) enter into such contracts directly with the owners of such real property.

"(2) USE OF ASSISTANCE.—Rental assistance payments under this subsection may be made with respect to the rental of the real property on which is located a manufactured home that is owned by a low-income family or with respect to the rental by such a family of a manufactured home and the real property on which it is located.

"(3) ASSISTANCE FOR RENTAL OF MANUFACTURED HOME SITE.—

"(A) MAXIMUM MONTHLY RENT.—A contract entered into pursuant to this paragraph shall

establish the maximum monthly rent (including maintenance and management charges) that the owner is entitled to receive for the space on which a manufactured home is located and with respect to which assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 percent the fair market rental established by the Secretary periodically (but not less than annually) with respect to the market area for the rental of real property suitable for occupancy by families assisted under this paragraph.

"(B) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of any monthly assistance payment with respect to any family that rents real property that is assisted under this paragraph, and on which is located a manufactured home that is owned by such family shall be the difference between the rent the family is required to pay under section 3(a) and the sum of—

"(i) the monthly payment made by such family to amortize the cost of purchasing the manufactured home;

"(ii) the monthly utility payments made by such family, subject to reasonable limitations prescribed by the Secretary; and

"(iii) the maximum monthly rent permitted with respect to the real property which is rented by such family for the purpose of locating its manufactured home;

except that in no case may such assistance exceed the total amount of such maximum monthly rent.

"(4) ASSISTANCE FOR RENTAL OF MANUFACTURED HOME AND SITE.—

"(A) MAXIMUM MONTHLY RENT.—Contracts entered into pursuant to this paragraph shall establish the maximum monthly rent permitted with respect to the manufactured home and the real property on which it is located and with respect to which assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 percent the fair market rental established by the Secretary periodically (but not less than annually) with respect to the market area for the rental of a manufactured home and the real property on which it is located suitable for occupancy by families assisted under this paragraph; except that the maximum monthly rent may exceed the fair market rental by more than 10 but not more than 20 percent if the Secretary determines that special circumstances warrant such higher maximum rent.

"(B) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of any monthly assistance payment with respect to any family that rents a manufactured home and the real property on which it is located and that is assisted under this paragraph shall be the difference between the rent the family is required to pay under section 3(a) and the sum of—

"(i) the monthly utility payments made by such family, subject to reasonable limitations prescribed by the Secretary; and

"(ii) the maximum monthly rent permitted with respect to the manufactured home and real property on which it is located.

"(5) ADJUSTMENT OF MAXIMUM MONTHLY RENTS.—The provisions of paragraphs (3) through (6) of subsection (d) shall apply to the adjustments of maximum monthly rents under this subsection.

"(6) CONTRACT TERM.—Each contract entered into under the subsection shall be for a term of not less than one month and not more than 180 months; except that in any case in which the manufactured home park is substantially rehabilitated or newly constructed, such term may not be less than 240 months, nor more than the maximum term for a manufactured home loan permitted under section 2(b) of the National Housing Act.

"(7) APPLICABILITY.—The Secretary may carry out this subsection without regard to whether the manufactured home park is existing, substantially rehabilitated, or newly constructed.

"(8) LIMITATION ON SUBSTANTIALLY REHABILITATED AND NEWLY CONSTRUCTED MANUFACTURED HOME PARKS.—In the case of any substantially rehabilitated or newly constructed manufactured home park containing spaces with respect to which assistance is made under this subsection, the principal amount of the mortgage attributable to the rental spaces within the park may not exceed an amount established by the Secretary which is equal to or less than the limitation for manufactured home parks described in section 207(c)(3) of the National Housing Act, and the Secretary may increase such limitation in high cost areas in the manner described in such section.

"(9) OTHER REQUIREMENTS.—The Secretary may prescribe other terms and conditions necessary for the purpose of carrying out this subsection and that are consistent with the purposes of this subsection.

"(l) SINGLE ROOM OCCUPANCY FACILITIES.—

"(1) AUTHORITY.—In making project-based assistance available under this section and assistance under section 441 and part V of subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act, the Secretary may provide assistance with respect to residential properties in which some or all of the dwelling units do not contain bathroom or kitchen facilities, if—

"(A) the property is located in an area in which there is a significant demand for such units, as determined by the Secretary;

"(B) the unit of general local government in which the property is located and the local public housing agency approve of such units being utilized for such purpose; and

"(C) the unit of general local government in which the property is located and the local public housing agency certify to the Secretary that the property complies with local health and safety standards.

"(2) WAIVER OF LIMITATIONS ON ASSISTANCE FOR SINGLE PERSONS.—The Secretary may waive, in appropriate cases, the limitation and preference described in the second and third sentences of section 3(b)(3)(A) with respect to the assistance made available under this subsection.

"(m) SHARED HOUSING FOR ELDERLY, HANDICAPPED, AND DISABLED FAMILIES.—To assist elderly, handicapped, and disabled families (as defined in section 3(b)) who elect to live in a shared housing arrangement in which they benefit as a result of sharing the facilities of a dwelling with others in a manner that effectively and efficiently meets their housing needs and thereby reduces their costs of housing, the Secretary shall permit assistance provided under this section to be used by such families in such arrangements. In carrying out this subsection, the Secretary shall issue minimum habitability standards for the purpose of assuring decent, safe, and sanitary housing for such families while taking into account the special circumstances of shared housing.

"(n) ADMINISTRATIVE FEES.—

"(1) BASIC FEE FOR TENANT-BASED RENTAL PROGRAM.—The Secretary shall establish a fee for the costs incurred by a public housing agency in administering the program for rental assistance under this section, which shall be, together with other fees authorized under this subsection, included in any amounts provided to the public housing agency under the annual contributions contract for the agency. The amount of the fee for each month for which a dwelling unit is covered by an assistance contract shall be 8.2 percent of the fair market rental established under subsection (e) for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency. The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

"(2) OTHER FEES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

"(A) the costs of preliminary expenses that a public housing agency documents it has incurred in connection with new allocations of assistance under the program for rental assistance under this section, which shall not exceed $275 per unit assisted;

"(B) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the program;

"(C) the costs incurred in administering the provision of rental assistance under this section through the self-sufficiency program under section 23; and

"(D) extraordinary costs approved by the Secretary.

"(3) BUDGET COMPLIANCE.—The Secretary may establish or increase a fee in accordance with this subsection only to such extent or in such amounts as are provided in appropriation Acts.

"(o) PORTABILITY OF ASSISTANCE.—

"(1) AUTHORITY.—Except as provided in paragraphs (2) and (4), any family on behalf of whom is provided tenant-based rental assistance under this section and who moves to an eligible dwelling unit located within the same State, or the same or a contiguous metropolitan statistical area, as the metropolitan statistical area within which is located the area of jurisdiction of the public housing agency approving the assistance for the family, may use such assistance to rent such eligible dwelling unit.

"(2) LIMITATION ON FAMILIES WITH INCREASED RENTAL PAYMENTS.—Any assisted family approved for increased rental payments (as such term is defined in subsection (p)(3)) shall use assistance under this section only for a dwelling unit that is located within the area of jurisdiction of the public housing agency approving such assistance and providing approval for the increased family rental payment amount (as such term is defined in subsection (p)(3)).

"(3) ADMINISTRATION.—The public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall have the responsibility of carrying out the provisions of this section with respect to the family. If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance shall have such responsibility.

"(4) LOCAL OPTION TO ENSURE MINIMUM AREA RESIDENCY.—

"(A) AUTHORITY.—At the discretion of a public housing agency and to the extent provided in subparagraph (B), the agency may provide that a family may use tenant-based rental assistance under this section to rent an eligible dwelling unit that is not located within the area of jurisdiction of the agency approving the assistance only if, before such use, the family has rented and occupied an eligible dwelling unit within such jurisdiction for not less than 12 consecutive months using assistance provided by such agency.

"(B) LIMITATION.—If a public housing agency elects to restrict the use of tenant-based rental assistance pursuant to subparagraph (A) and provides such assistance on behalf of more than 300 families, the agency may not restrict the use of such assistance with respect to assistance provided on behalf of 10 percent of the number of families receiving such assistance that exceeds 300.

"(5) RESERVATION OF ASSISTANCE.—

"(A) AMOUNT.—In each fiscal year, the Secretary shall reserve 5 percent of the amount of

the budget authority made available for assistance under this section for use in accordance with this paragraph.

"(B) USE.—Budget authority reserved under this paragraph shall be used only to provide a public housing agency with additional amounts (as determined under subparagraph (D)) to provide assistance for families on behalf of whom assistance is provided under this section by another public housing agency and who move into an eligible dwelling unit located within the area of jurisdiction of the agency to receive assistance under this paragraph.

"(C) REQUIREMENT.—Amounts reserved under this paragraph may be made available to a public housing agency only if the agency has provided assistance pursuant to the first sentence of paragraph (3) on behalf of families who have moved into eligible dwelling units located within the area of jurisdiction of the agency in an amount not less than the lesser of (i) 5 percent of the total amount received by the agency for assistance under this section for the fiscal year, or (ii) the amount necessary to assist 25 percent of average annual number of families previously assisted by the agency who relinquish such assistance in a year (based on the preceding 3 calendar years).

"(D) LIMITATION.—In each fiscal year, the Secretary shall make amounts reserved under this paragraph for the fiscal year available to each public housing agency (subject to the availability of such amounts) in the amount by which the amount of additional assistance necessary for the agency to provide assistance on behalf of families who have moved into eligible dwelling units located within the area of jurisdiction of the agency exceeds the lesser of the amounts referred to in clauses (i) and (ii) of subparagraph (C).

"(p) PROHIBITION OF DISCRIMINATION.—

"(1) BASED ON RESIDENCY IN PUBLIC HOUSING.— In selecting families for the provision of assistance under this section, a public housing agency may not exclude or penalize a family solely because the family resides in a public housing project.

"(2) BASED ON RECEIPT OF ASSISTANCE.—

"(A) FAMILIES PAYING 30 PERCENT OF INCOME FOR RENT.—An owner who has entered into an assistance contract under this section on behalf of any tenant in a multifamily housing project shall not refuse to lease any available dwelling unit in any multifamily housing project of such owner that rents for an amount not greater than the fair market rental for a comparable unit (as determined by the Secretary under subsection (e)) to a family who has been approved by a public housing agency for rental assistance under this section and is in possession of evidence of such approval, a proximate cause of which is the status of such prospective tenant as such an assisted family, and to enter into an assistance contract respecting such unit.

"(B) FAMILIES PAYING MORE THAN 30 PERCENT OF INCOME FOR RENT.—An owner who has entered into an assistance contract under this section on behalf of any tenant in a multifamily housing project shall not refuse to lease any available dwelling unit in any multifamily housing project of such owner that rents for an amount not greater than the sum of the amounts of the fair market rental for a comparable unit (as determined by the Secretary under subsection (e)) and the increased family rental payment amount to an assisted family approved for increased rental payments a proximate cause of which is the status of such prospective tenant as a holder of a certificate of eligibility under this section, and to enter into a housing assistance payments contract respecting such unit.

"(3) DEFINITIONS.—For purposes of this subsection:

"(A) ASSISTED FAMILY APPROVED FOR INCREASED RENTAL PAYMENTS.—The term 'assisted family approved for increased rental payments' means a family who has been approved by a public housing agency for rental assistance under this section and is in possession of evidence of such approval and for whom the public housing agency approving the assistance and issuing the evidence of approval has approved an increase in the family rental payment under subsection (f)(2).

"(B) INCREASED FAMILY RENTAL PAYMENT AMOUNT.—The term 'increased family rental payment amount' means, for any assisted family approved for increased rental payments, the amount by which the rent for a unit approved under subsection (f)(2) exceeds the permissible maximum monthly rent established under subsection (d) for comparable units in the market area in which unit is located.

"(C) MULTIFAMILY HOUSING PROJECT.—The term 'multifamily housing project' means a residential building containing more than 4 dwelling units.

"(q) SPECIAL USES OF RENTAL ASSISTANCE.—

"(1) ASSISTANCE FOR RESIDENTS OF REHABILITATED PROJECTS.—In the case of low-income families living in rental projects rehabilitated under section 17 of this Act or section 533 of the Housing Act of 1949 before rehabilitation—

"(A) tenant-based rental assistance under this section shall be provided for families who are required to move out of their dwelling units because of the physical rehabilitation activities or because of overcrowding;

"(B) at the discretion of each public housing agency, tenant-based rental assistance under this section may be provided for families who would have to pay more than 30 percent of their adjusted income for rent after rehabilitation whether they choose to remain in, or to move from, the project; and

"(C) the Secretary shall allocate tenant-based rental assistance provided under this section to ensure that sufficient resources are available to address the physical or economic displacement, or potential economic displacement, of existing tenants pursuant to subparagraphs (A) and (B).

"(2) LOAN MANAGEMENT ASSISTANCE.—

"(A) IN GENERAL.—The Secretary may provide assistance under this section through a loan management program to assist financially troubled multifamily residential housing projects (i) subject to mortgages that are insured under the National Housing Act or mortgages that have been assigned to the Secretary, (ii) that were held by the Secretary and have been sold, and (iii) that were assisted under section 202 of the Housing Act of 1959.

"(B) ELIGIBILITY.—The eligibility of a multifamily residential project for loan management assistance under this paragraph shall be determined without regard to whether the project is subsidized or unsubsidized.

"(C) PRIORITY IN ALLOCATION.—In allocating assistance under this section made available under the loan management program, the Secretary may give priority to any project only on the basis that the project has serious financial problems that are likely to result in a claim on the applicable insurance fund in the near future or the project is eligible to receive incentives under the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect immediately before the enactment of the Cranston-Gonzalez National Affordable Housing Act) or the Low-Income Housing Preservation Act of 1990.

"(D) EXTENSION OF CONTRACT.—The Secretary shall extend any expiring contract entered into under this section for loan management assistance or execute a new contract for project-based loan management assistance, if the owner agrees to continue providing housing for low-income families during the term of the contract.

"(3) ASSISTANCE FOR FAMILY UNIFICATION.—

"(A) INCREASE IN BUDGET AUTHORITY.—The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $36,400,000 on or after October 1, 1992.

"(B) USE OF FUNDS.—The amounts made available under this paragraph shall be used only in connection with tenant-based assistance under this section on behalf of any family (i) who is otherwise eligible for such assistance, and (ii) who the public child welfare agency for the jurisdiction has certified is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care or the delayed discharge of a child or children to the family from out-of-home care.

"(C) ALLOCATION.—Any amounts made available under this paragraph shall be allocated by the Secretary through a national competition among applicants based on demonstrated need for assistance under this paragraph. To be considered for assistance, an applicant shall submit to the Secretary a written proposal containing a report from the public child welfare agency serving the jurisdiction of the applicant that describes how a lack of adequate housing in the jurisdiction is resulting in the initial or prolonged separation of children from their families, and how the applicant will coordinate with the public child welfare agency to identify eligible families and provide the families with assistance under this paragraph.

"(D) DEFINITIONS.—For purposes of this paragraph:

"(i) APPLICANT.—The term 'applicant' means a public housing agency.

"(ii) PUBLIC CHILD WELFARE AGENCY.—The term 'public child welfare agency' means the public agency responsible under applicable State law for determining that a child is at imminent risk of placement in out-of-home care or that a child in out-of-home care under the supervision of the public agency may be returned to his or her family.

"(r) RENEWAL OF EXPIRING CONTRACTS.—Not later than 30 days after the beginning of each fiscal year, the Secretary shall publish in the Federal Register a plan for reducing, to the extent feasible, year-to-year fluctuations in the levels of budget authority that will be required over the succeeding 5-year period to renew expiring assistance contracts entered into under this section after the enactment of the Housing and Community Development Act of 1974. To the extent necessary to carry out such plan and to the extent approved in appropriations Acts, the Secretary is authorized to enter into annual contributions contracts with terms of less than 60 months.

"(s) GENERAL PROVISIONS.—

"(1) PROHIBITION OF HIGH-RISE PROJECTS FOR FAMILIES WITH CHILDREN.—Notwithstanding any other provision of this section, after the date of enactment of the Housing and Community Development Act of 1977, the Secretary shall prohibit high-rise elevator projects for families with children unless the Secretary determines that there is no practical alternative.

"(2) PLEDGING ASSISTANCE CONTRACTS AS SECURITY.—An owner may pledge, or offer as security for any loan or obligation, an assistance contract entered into pursuant to this section, but only if such security is in connection with a project constructed or rehabilitated pursuant to authority under this section and the terms of the financing or any refinancing have been approved by the Secretary.

"(t) DEFINITIONS.—For purposes of this section:

"(1) ANNUAL CONTRIBUTIONS CONTRACT.—The term 'annual contributions contract' means a contract under subsection (b) between the Sec-

retary and a public housing agency to provide amounts for rental assistance payments under this section to the public housing agency.

"(2) ASSISTANCE CONTRACT.—The term 'assistance contract' means a contract under subsection (c) between a public housing agency (or the Secretary) and an owner to make rental assistance payments under this section to the owner.

"(3) DEBT SERVICE.—The term 'debt service' means the required payments for principal and interest made with respect to a mortgage secured by housing assisted under this Act.

"(4) DRUG-RELATED CRIMINAL ACTIVITY.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

"(5) OWNER.—The term 'owner' means any private person or entity, including a cooperative, or a public housing agency, having the legal right to lease or sublease dwelling units, and such term shall include any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project (as such term is defined in subsection (p)(3)), as well as the entity itself.

"(6) PARTICIPATING JURISDICTION.—The term 'participating jurisdiction' means a State or unit of general local government designated by the Secretary to be a participating jurisdiction under title II of the Cranston-Gonzalez National Affordable Housing Act.

"(7) PROJECT-BASED ASSISTANCE.—The term 'project-based assistance' means rental assistance under this section that is attached to a structure pursuant to subsection (i).

"(8) RENT.—The terms 'rent' and 'rental' include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

"(9) RENTAL ASSISTANCE.—The term 'rental assistance' means assistance provided under this section on behalf of low-income families for the rental of a dwelling unit.

"(10) TENANT-BASED ASSISTANCE.—The term 'tenant-based assistance' means rental assistance under this section that is not project-based assistance.".

(b) RESERVATION OF SECTION 8 AMOUNTS UNDER HEADQUARTERS RESERVE FOR PORTABILITY ASSISTANCE.—Section 213(d)(4)(A) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(4)(A)) is amended—

(1) in the matter preceding clause (i), by striking "September 30, 1990" and all that follows through "5 percent" and inserting "September 30, 1992, the Secretary may retain not more than 10 percent";

(2) in clause (iii), by striking "and" at the end;

(3) in clause (iv), by striking the period at the end and inserting "; and"; and

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

"(v) in the case of financial assistance under the rental housing assistance program under section 8 of the United States Housing Act of 1937, providing assistance pursuant to section 8(o)(4) of such Act.".

(c) TRANSITION.—

(1) APPLICABILITY.—The amendment made by subsection (a) shall apply only to assistance under section 8 of the United States Housing Act of 1937 provided pursuant to an assistance contract entered into or renewed during fiscal year 1993 or thereafter. Any such assistance provided pursuant to an assistance contract entered into before fiscal year 1993 shall be subject to the provisions of such section 8 as in effect immediately before the enactment of this Act or otherwise applicable to such assistance.

(2) CONTINUATION OF ASSISTANCE.—The Secretary of Housing and Urban Development shall take any action necessary to ensure that the provision of assistance under section 8 of the United States Housing Act of 1937 to families receiving assistance under such section on the date of the enactment of this Act is not interrupted because of the amendment made by subsection (a).

(d) CONFORMING AMENDMENT.—Section 441(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(b)) is amended—

(1) by striking "section 8(n)" and inserting "section 8(l)"; and

(2) by adding at the end the following new sentence: "Moderate rehabilitation under this section shall be carried out in the manner provided under the provisions of section 8(e) of the United States Housing Act of 1937, as such section was in effect immediately before the enactment of the Housing and Community Development Act of 1992.".

SEC. 142. IMPLEMENTATION OF AMENDMENTS TO PROJECT-BASED CERTIFICATE PROGRAM.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to carry out the amendments made by section 547 of the Cranston-Gonzalez National Affordable Housing Act not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.

SEC. 143. EFFECTIVENESS OF SECTION 8 ASSISTANCE FOR PHA-OWNED UNITS.

The amendments made by section 548 of the Cranston-Gonzalez National Affordable Housing Act shall be effective notwithstanding the absence of any regulations issued by the Secretary of Housing and Urban Development.

SEC. 144. NONDISCRIMINATION AGAINST SECTION 8 ASSISTANCE HOLDERS.

Section 183(c) of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note) is amended by adding at the end the following new flush sentence:

"For purposes of this subsection, the term 'owner' means any private person or entity, including a cooperative, having the legal right to lease or sublease dwelling units in a subsidized project. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a subsidized project, as well as the entity itself.".

SEC. 145. IMPLEMENTATION OF INCOME ELIGIBILITY PROVISIONS FOR SECTION 8 NEW CONSTRUCTION UNITS.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to carry out the provisions of section 555 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.

SEC. 146. MOVING TO OPPORTUNITY FOR FAIR HOUSING.

(a) AUTHORITY.—Using any amounts available under subsection (e), the Secretary of Housing and Urban Development shall carry out a demonstration program to provide tenant-based assistance under section 8 of the United States Housing Act of 1937 to assist very low-income families with children who reside in public housing to move out of areas with high concentrations of persons living in poverty to areas with low concentrations of such persons. The Secretary shall enter into annual contributions contracts with public housing agencies to administer housing assistance payments contracts under the demonstration.

(b) ELIGIBLE CITIES.—

(1) IN GENERAL.—The Secretary shall carry out the demonstration only in cities with populations exceeding 350,000 that are located in consolidated metropolitan statistical areas (as designated by the Director of the Office of Management and Budget) having populations exceeding 1,500,000.

(2) 1993.—Notwithstanding paragraph (1), in fiscal year 1993, only the 5 cities selected for the demonstration under the item relating to "HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING (INCLUDING RESCISSION OF FUNDS)" of title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (105 Stat. 745), and the City of Los Angeles, California, shall be eligible for the demonstration under this section.

(c) SERVICES.—The Secretary shall enter into contracts with nonprofit organizations to provide counseling and services in connection with the demonstration.

(d) REPORTS.—The Secretary shall submit a report to the Congress, not later than September 30, 2004, describing the long-term housing, employment, and educational achievements of families assisted under the demonstration. The Secretary shall submit an interim report to the Congress, not later than September 30, 1999, describing any such achievements to such date of families assisted under the demonstration.

(e) FUNDING.—

(1) SECTION 8.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for tenant-based assistance under section 8 of such Act is authorized to be increased, on or after October 1, 1992, by such sums as may be necessary to carry out the demonstration under this section. Any amounts made available under this paragraph shall be used in connection with the demonstration under this section.

(2) COUNSELING.—There are authorized to be appropriated for fiscal year 1993, in addition to any amounts authorized under section 106(a)(3) of the Housing and Urban Development Act of 1968, such sums as may be necessary for counseling and other activities under section 106(a) of such Act in connection with the demonstration under this section.

(f) IMPLEMENTATION.—The Secretary may, by notice published in the Federal Register, establish any requirements necessary to carry out the demonstration under this section and the amendment made by this section. The Secretary shall publish such notice not later than the expiration of the 90-day period beginning on the date of the enactment of this Act and shall submit a copy of such notice to the Congress not less than 15 days before publication.

Subtitle D—Other Programs

SEC. 161. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 5130(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(a)) is amended to read as follows: "There is authorized to be appropriated to carry out this chapter $173,576,000 for fiscal year 1993.".

(b) SET ASIDE FOR YOUTH SPORTS PROGRAMS.—Section 5130 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909) is amended by adding at the end the following new subsection:

"(c) SET ASIDE FOR YOUTH SPORTS PROGRAMS.—Of any amount made available in any

fiscal year to carry out this chapter, 5 percent of such amount shall be available for public housing youth sports program grants under section 520 of the Cranston-Gonzalez National Affordable Housing Act for such fiscal year.".

(c) DRUG-RELATED ACTIVITY IN OTHER PHA-OWNED HOUSING.—Section 5124 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903) is amended—

(1) by inserting "(a) PUBLIC AND ASSISTED HOUSING.—" before "Grants"; and

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

"(b) OTHER PHA-OWNED HOUSING.—Notwithstanding any other provision of this chapter, grants under this chapter may be used to eliminate drug-related crime in housing owned by public housing agencies that is not public housing assisted under the United States Housing Act of 1937 and is not otherwise federally assisted, for the activities described in paragraphs (1) through (7) of subsection (a), but only if—

"(1) the housing is located in a high intensity drug trafficking area designated pursuant to section 1005 of this Act; and

"(2) the public housing agency owning the housing demonstrates, to the satisfaction of the Secretary, that drug-related activity at the housing has a detrimental effect on or about the real property comprising any public or other federally assisted low-income housing.".

SEC. 162. FLEXIBLE SUBSIDY PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 201(j)(5) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(j)(5)) is amended to read as follows:

"(5) There is authorized to be appropriated for assistance under the flexible subsidy fund not to exceed $54,288,000 for fiscal year 1993.".

(b) USE OF SECTION 236 RENTAL ASSISTANCE FUND AMOUNTS FOR FLEXIBLE SUBSIDY PAYMENTS.—Section 236(f)(3) of the National Housing Act (12 U.S.C. 1715z-1a(f)(3)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

(c) APPROVAL OF MANAGEMENT IMPROVEMENT AND OPERATING PLAN.—Section 201(d)(6) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(d)(6)) is amended by inserting before the period at the end the following: "; and except that the Secretary shall review and approve or disapprove each plan not later than the expiration of the 30-day period beginning upon the submission of the plan to the Secretary by the owner, but if the Secretary fails to inform the owner of approval or disapproval of the plan within such period the plan shall be considered to have been approved".

SEC. 163. HOUSING COUNSELING.

(a) COUNSELING SERVICES.—The first sentence of section 106(a)(3) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)(3)) is amended by striking "except that" and all that follows and inserting the following: "except that for such purposes there is authorized to be appropriated $3,848,000 for fiscal year 1993.".

(b) GRANTS FOR EMERGENCY HOMEOWNERSHIP COUNSELING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 106(c)(8) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(8)) is amended to read as follows: "There is authorized to be appropriated to carry out this section $7,280,000 for fiscal year 1993, of which amounts $1,000,000 shall be available to carry out paragraph (5)(D).".

(2) EXTENSION OF PROGRAM.—Section 106(c)(9) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(9)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

(3) AVAILABILITY.—Section 106(c)(3)(A) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(3)(A)) is amended—

(A) in clause (i), by striking "and" at the end; and

(B) by adding at the end the following new clause:

"(iii) have a high incidence of mortgages involving principal obligations (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in excess of 97 percent of the appraised value of the properties that are insured pursuant to section 203 of the National Housing Act; and".

(4) ELIGIBILITY.—Section 106(c)(4) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(4)) is amended by adding at the end the following new flush sentence:

"An applicant for a mortgage shall be eligible for homeownership counseling under this subsection if the mortgage involves a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in excess of 97 percent of the appraised value of the property and is to be insured pursuant to section 203 of the National Housing Act.".

(5) NOTIFICATION OF AVAILABILITY.—Section 106(c)(5)(A) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(A)) is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(A) NOTIFICATION OF AVAILABILITY OF HOMEOWNERSHIP COUNSELING.—

"(i) REQUIREMENT.—Except as provided in subparagraph (C), the creditor of a loan (or proposed creditor) shall provide notice under clause (ii) to (I) any eligible homeowner who fails to pay any amount by the date the amount is due under a home loan, and (II) any applicant for a mortgage described in paragraph (4).

"(ii) CONTENT.—Notification under this subparagraph shall—

"(I) notify the homeowner or mortgage applicant of the availability of any homeownership counseling offered by the creditor (or proposed creditor);

"(II) if provided to an eligible mortgage applicant, state that completion of a counseling program is required for insurance pursuant to section 203 of the National Housing Act; and

"(III) notify the homeowner or mortgage applicant of the availability of homeownership counseling provided by nonprofit organizations approved by the Secretary and experienced in the provision of homeownership counseling, or provide the toll-free telephone number described in subparagraph (D)(i).".

(6) ANNUAL UPDATE OF LIST OF COUNSELING ORGANIZATIONS FOR TOLL-FREE NUMBER.—The matter preceding subclause (I) in section 106(c)(5)(D)(i) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(D)(i)) is amended by inserting ", which shall be updated annually," after "organizations".

(c) PREPURCHASE AND FORECLOSURE-PREVENTION COUNSELING DEMONSTRATION.—Section 106(d)(12) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(d)(12)) is amended to read as follows:

"(12) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $379,600 for fiscal year 1993.".

SEC. 164. USE OF FUNDS RECAPTURED FROM REFINANCING STATE AND LOCAL FINANCE PROJECTS.

(a) IN GENERAL.—Section 1012 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437f note) is amended to read as follows:

"SEC. 1012. USE OF FUNDS RECAPTURED FROM REFINANCING STATE AND LOCAL FINANCE PROJECTS.

"(a) AVAILABILITY OF FUNDS.—The Secretary shall make available to the State housing finance agency in the State in which a qualified project is located, or the local government or local housing agency initiating the refinancing of the qualified project, as applicable, an amount equal to 50 percent of the amounts recaptured from the project (as determined by the Secretary on a project-by-project basis). Such amounts shall be used only for providing decent, safe, and sanitary housing affordable for very low-income families and persons.

"(b) DEFINITION OF QUALIFIED PROJECT.—For purposes of this section, the term 'qualified project' means any State financed project or local government or local housing agency financed project, that—

"(1) was—

"(A) provided a financial adjustment factor under section 8 of the United States Housing Act of 1937; or

"(B) constructed or substantially rehabilitated pursuant to assistance provided under a contract under section 8(b)(2) of the United States Housing Act of 1937 (as in effect on September 30, 1983) entered into during any of calendar years 1979 through 1984; and

"(2) is being refinanced.

"(c) APPLICABILITY AND BUDGET COMPLIANCE.—

"(1) RETROACTIVITY.—This section shall apply to refinancings of projects for which settlement occurred or occurs before, on, or after the date of the enactment of the Housing and Community Development Act of 1992, subject to the provisions of paragraph (2).

"(2) BUDGET COMPLIANCE.—This section shall apply only to the extent or in such amounts as are provided in appropriation Acts.".

SEC. 165. HOPE FOR YOUTH.

Title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa note et seq.) is amended by adding at the end the following new subtitle:

"Subtitle D—HOPE for Youth: Youthbuild

"SEC. 451. STATEMENT OF PURPOSE.

"It is the purpose of this subtitle—

"(1) to expand the supply of permanent affordable housing for homeless individuals and members of low- and very low-income families by utilizing the energies and talents of economically disadvantaged young adults;

"(2) to provide economically disadvantaged young adults with opportunities for meaningful work and service to their communities in helping to meet the housing needs of homeless individuals and members of low- and very low-income families;

"(3) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve economic self-sufficiency; and

"(4) to foster the development of leadership skills and commitment to community development among young adults in low-income communities.

"SEC. 452. PROGRAM AUTHORITY.

"The Secretary may make—

"(1) planning grants to enable applicants to develop Youthbuild programs; and

"(2) implementation grants to enable applicants to carry out Youthbuild programs.

"SEC. 453. PLANNING GRANTS.

"(a) GRANTS.—The Secretary is authorized to make planning grants to applicants for the purpose of developing Youthbuild programs under this subtitle. The amount of a planning grant under this section may not exceed $150,000, except that the Secretary may for good cause approve a grant in a higher amount.

"(b) ELIGIBLE ACTIVITIES.—Planning grants may be used for activities to develop Youthbuild programs including—

"(1) studies of the feasibility of a Youthbuild program;

"(2) establishment of consortia between youth training and education programs and housing

owners or developers, including any organizations specified in section 457(2), which will participate in the Youthbuild program;

"(3) identification and selection of a site for the Youthbuild program;

"(4) preliminary architectural and engineering work for the Youthbuild program;

"(5) identification and training of staff for the Youthbuild program;

"(6) planning for education, job training, and other services that will be provided as part of the Youthbuild program;

"(7) other planning, training, or technical assistance necessary in advance of commencing the Youthbuild program; and

"(8) preparation of an application for an implementation grant under this subtitle.

"(c) APPLICATION.—

"(1) FORM AND PROCEDURES.—An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

"(2) MINIMUM REQUIREMENTS.—The Secretary shall require that an application contain at a minimum—

"(A) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, the personnel necessary to complete the activities, and the amount of the grant requested;

"(B) a description of the applicant and a statement of its qualifications, including a description of the applicant's past experience with housing rehabilitation or construction and with youth and youth education and employment training programs, and its relationship with local unions and apprenticeship programs, and other community groups;

"(C) identification and description of potential sites for the program and the construction or rehabilitation activities that would be undertaken at such sites; potential methods for identifying and recruiting youth participants; potential educational and job training activities, work opportunities and other services for participants; and potential coordination with other Federal, State, and local housing and youth education and employment training activities;

"(D) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located; and

"(E) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(d) SELECTION CRITERIA.—The Secretary shall, by regulation, establish selection criteria for a national competition for assistance under this section, which shall include—

"(1) the qualifications or potential capabilities of the applicant;

"(2) the potential of the applicant for developing a successful and affordable Youthbuild program;

"(3) the need for the prospective program, as determined by the degree of economic distress—

"(A) of the community from which participants would be recruited (such as poverty, youth unemployment, and number of individuals who have dropped out of high school); and

"(B) of the community in which the housing proposed to be constructed or rehabilitated would be located (such as incidence of homelessness, shortage of affordable housing, and poverty); and

"(4) such other factors that the Secretary shall require that (in the determination of the Secretary) are appropriate for purposes of carrying out the program established by this subtitle in an effective and efficient manner.

"SEC. 454. IMPLEMENTATION GRANTS.

"(a) GRANTS.—The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out Youthbuild programs approved under this subtitle.

"(b) ELIGIBLE ACTIVITIES.—Implementation grants may be used to carry out Youthbuild programs, including the following activities:

"(1) Architectural and engineering work.

"(2) Acquisition, rehabilitation, acquisition and rehabilitation, or construction of housing and related facilities to be used for the purposes of providing homeownership under subtitle B and subtitle C of this title, residential housing for homeless individuals, and low- and very low-income families, or transitional housing for persons who are homeless, have disabilities, are ill, are deinstitutionalized, or have other special needs.

"(3) Administrative costs of the applicant, which may not exceed 15 percent of the amount of assistance provided under this section, or such higher percentage as the Secretary determines is necessary to support capacity development by a private nonprofit organization.

"(4) Education and job training services and activities including—

"(A) work experience and skills training, coordinated, to the maximum extent feasible, with preapprenticeship and apprenticeship programs, in the construction and rehabilitation activities described in subsection (b)(2);

"(B) services and activities designed to meet the educational needs of participants, including—

"(i) basic skills instruction and remedial education;

"(ii) bilingual education for individuals with limited-English proficiency;

"(iii) secondary education services and activities designed to lead to the attainment of a high school diploma or its equivalent; and

"(iv) counseling and assistance in attaining post-secondary education and required financial aid;

"(C) counseling services and related activities;

"(D) activities designed to develop employment and leadership skills, including support for youth councils; and

"(E) support services and need-based stipends necessary to enable individuals to participate in the program and, for a period not to exceed 12 months after completion of training, to assist participants through support services in retaining employment.

"(5) Wage stipends and benefits provided to participants.

"(6) Funding of operating expenses and replacement reserves of the property covered by the Youthbuild program.

"(7) Legal fees.

"(8) Defraying costs for the ongoing training and technical assistance needs of the recipient that are related to developing and carrying out the Youthbuild program.

"(c) MATCHING FUNDING.—

"(1) IN GENERAL.—Each recipient shall ensure that contributions equal to not less than 10 percent of the grant amounts made available under this section, excluding any amounts provided for post-sale operating expense, shall be provided from nonprogram sources to carry out the Youthbuild program.

"(2) FORM.—Such contributions may be in the form of—

"(A) cash contributions from non-Federal resources, which may not include funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

"(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

"(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a Youthbuild program assisted under this subtitle;

"(D) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

"(E) the value of investment in on-site and off-site infrastructure required for a Youthbuild program assisted under this subtitle;

"(F) the value of property or services from non-Federal resources as valued according to procedures acceptable to the Secretary;

"(G) cash contributions from Federal resources that are earmarked to provide the education and job training services and activities described in section 454(b)(4) of this subtitle; or

"(H) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

"(d) APPLICATION.—

"(1) FORM AND PROCEDURE.—An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

"(2) MINIMUM REQUIREMENTS.—The Secretary shall require that an application contain at a minimum—

"(A) a request for an implementation grant, specifying the amount of the grant requested and its proposed uses;

"(B) a description of the applicant and a statement of its qualifications, including a description of the applicant's past experience with housing rehabilitation or construction and with youth and youth education and employment training programs, and its relationship with local unions and apprenticeship programs, and other community groups;

"(C) a description of the proposed site for the program;

"(D) a description of the educational and job training activities, work opportunities, and other services that will be provided to participants;

"(E) a description of the proposed construction or rehabilitation activities to be undertaken and the anticipated schedule for carrying out such activities;

"(F) a description of the manner in which eligible youths will be recruited and selected, including a description of arrangements which will be made with community-based organizations, State and local educational agencies, public assistance agencies, the courts of jurisdiction for status and youth offenders, shelters for homeless individuals and other agencies that serve homeless youth, foster care agencies, and other appropriate public and private agencies;

"(G) a description of the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children);

"(H) a description of how the proposed program will be coordinated with other Federal, State, and local activities, including vocational, adult and bilingual education programs, job training provided with funds available under the Job Training Partnership Act and the Family Support Act of 1988, housing and economic development, and programs that receive assistance under section 106 of the Housing and Community Development Act of 1974;

"(I) assurances that there will be a sufficient number of adequately trained supervisory per-

sonnel in the program who have attained the level of journeyman or its equivalent;

"(J) a description of the applicant's relationship with local building trade unions regarding their involvement in training, and the relationship of the Youthbuild program with established apprenticeship programs;

"(K) a description of activities that will be undertaken to develop the leadership skills of participants;

"(L) a detailed budget and a description of the system of fiscal controls and auditing and accountability procedures that will be used to ensure fiscal soundness;

"(M) a description of and commitment for the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the Youthbuild program;

"(N) identification and description of the financing proposed for any—

"(i) rehabilitation;

"(ii) acquisition of the property; or

"(iii) construction;

"(O) identification and description of the entity that will operate and manage the property;

"(P) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located; and

"(Q) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(e) SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this section, which shall include—

"(1) the qualifications or potential capabilities of the applicant;

"(2) the feasibility of the Youthbuild program;

"(3) the potential for developing a successful and cost-effective Youthbuild program;

"(4) the need for the prospective project, as determined by the degree of economic distress of the community from which participants would be recruited (such as poverty, youth unemployment, and the number of individuals who have dropped out of high school) and of the community in which the housing proposed to be constructed or rehabilitated would be located (such as incidence of homelessness, shortage of affordable housing, and poverty);

"(5) the commitment of the applicant to leadership development, education, and training of participants;

"(6) preferences for tenant selection, including priority to tenants who were previously homeless and who have incomes of less than 40 percent of the median income for the area; and

"(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the program established by this subtitle in an effective and efficient manner.

"(f) APPROVAL.—The Secretary shall notify each applicant, not later than 4 months after the date of the submission of the application, whether the application is approved or not approved.

"(g) COMBINED PLANNING AND IMPLEMENTATION GRANT APPLICATION PROCEDURE.—The Secretary shall develop a procedure under which an applicant may apply at the same time and in a single application for a planning grant and an implementation grant, with receipt of the implementation grant conditioned on successful completion of the activities funded by the planning grant.

"SEC. 455. YOUTHBUILD PROGRAM REQUIREMENTS.

"(a) RESIDENTIAL RENTAL HOUSING.—Each residential rental housing project receiving assistance under this subtitle shall meet the following requirements:

"(1) OCCUPANCY BY LOW- AND VERY LOW-INCOME FAMILIES.—In the project—

"(A) at least 90 percent of the units shall be occupied, or available for occupancy, by individuals and families with incomes less than 60 percent of the area median income, adjusted for family size; and

"(B) the remaining units shall be occupied, or available for occupancy, by low-income families.

"(2) TENANT PROTECTIONS.—

"(A) LEASE.—The lease between a tenant and an owner of residential rental housing assisted under this subtitle shall be for not less than 1 year, unless otherwise mutually agreed to by the tenant and the owner, and shall contain such terms and conditions as the Secretary shall determine to be appropriate.

"(B) TERMINATION OF TENANCY.—An owner shall not terminate the tenancy or refuse to renew the lease of a tenant of residential rental housing assisted under this title except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause. Any termination or refusal to renew must be preceded by not less than 30 days by the owner's service upon the tenant of a written notice specifying the grounds for the action.

"(C) MAINTENANCE AND REPLACEMENT.—The owner of residential rental housing assisted under this subtitle shall maintain the premises in compliance with all applicable housing quality standards and local code requirements.

"(D) TENANT SELECTION.—The owner of residential rental housing assisted under this subtitle shall adopt written tenant selection policies and criteria that—

"(i) are consistent with the purpose of providing housing for very low-income and low-income families and individuals;

"(ii) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease;

"(iii) give reasonable consideration to the housing needs of families that would qualify for a preference under section 6(c)(4)(A) of the United States Housing Act of 1937; and

"(iv) provide for (I) the selection of tenants from a written waiting list in the chronological order of their application, to the extent practicable, and (II) for the prompt notification in writing of any rejected applicant of the grounds for any rejection.

"(3) LIMITATION ON RENTAL PAYMENTS.—Tenants in each project shall not be required to pay rent in excess of the amount provided under section 3(a) of the United States Housing Act of 1937.

"(4) TENANT PARTICIPATION PLAN.—For each project owned by a nonprofit organization, the organization shall provide a plan for and follow a program of tenant participation in management decisions.

"(5) PROHIBITION AGAINST DISCRIMINATION.—A unit in a project assisted under this subtitle may not be refused for leasing to a family holding tenant-based assistance under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as a holder of such assistance.

"(b) TRANSITIONAL HOUSING.—Each transitional housing project receiving assistance under this subtitle shall adhere to the requirements regarding service delivery, housing standards, and rent limitations applicable to comparable housing receiving assistance under title IV of the Stewart B. McKinney Homeless Assistance Act.

"(c) LIMITATIONS ON PROFITS FOR RENTAL AND TRANSITIONAL HOUSING.—

"(1) MONTHLY RENTAL LIMITATION.—The aggregate monthly rental for each eligible project may not exceed the operating costs of the project (including debt service, management, adequate reserves, and other operating costs) plus a 6 percent return on any equity investment of the project owner.

"(2) PROFIT LIMITATIONS ON PARTNERS.—A nonprofit organization that receives assistance under this subtitle for a project shall agree to use any profit received from the operation, sale, or other disposition of the project for the purpose of providing housing for low- and moderate-income families. Profit-motivated partners in a nonprofit partnership may receive—

"(A) not more than a 6 percent return on their equity investment from project operations; and

"(B) upon disposition of the project, not more than an amount equal to their initial equity investment plus a return on that investment equal to the increase in the Consumer Price Index for the geographic location of the project since the time of the initial investment of such partner in the project.

"(d) HOMEOWNERSHIP.—Each homeownership project that receives assistance under this subtitle shall comply with the requirements of subtitle B or subtitle C of this title.

"(e) RESTRICTIONS ON CONVEYANCE.—The ownership interest in a project that receives assistance under this subtitle may not be conveyed unless the instrument of conveyance requires a subsequent owner to comply with the same restrictions imposed upon the original owner.

"(f) CONVERSION OF TRANSITIONAL HOUSING.—The Secretary may waive the requirements of subsection (b) to permit the conversion of a transitional housing project to a permanent housing project only if such housing would meet the requirements for residential rental housing specified in this section.

"(g) PERIOD OF RESTRICTIONS.—A project that receives assistance under this subtitle shall comply with the requirements of this section for the remaining useful life of the property.

"SEC. 456. ADDITIONAL PROGRAM REQUIREMENTS.

"(a) ELIGIBLE PARTICIPANTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an individual may participate in a Youthbuild program receiving assistance under this subtitle only if such individual is—

"(A) 16 to 24 years of age, inclusive;

"(B) a very low-income individual or a member of a very low-income family; and

"(C) an individual who has dropped out of high school.

"(2) EXCEPTIONS.—Not more than 25 percent of the participants in a Youthbuild program receiving assistance under this subtitle may be individuals who—

"(A) do not meet the requirements of paragraph (1)(B), but meet the other requirements of paragraph (1) and are members of low-income families; or

"(B) do not meet the requirement of paragraph (1)(C), but meet the other requirements of paragraph (1) and have educational and job training needs despite the attainment of a high school diploma or its equivalent.

"(3) PARTICIPATION LIMITATION.—Any eligible individual selected for full-time participation in a Youthbuild program may be offered full-time participation for a period of not less than 6 months and not more than 24 months.

"(b) MINIMUM TIME DEVOTED TO EDUCATIONAL SERVICES AND ACTIVITIES.—A Youthbuild program receiving assistance under this subtitle shall be structured so that 50 percent of the time spent by participants in the program is devoted to educational services and activities, such as those specified in subparagraphs (B) through (F) of section 454(b)(4).

"(c) AUTHORITY RESTRICTION.—No provision of this subtitle may be construed to authorize

any agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

"(d) STATE AND LOCAL STANDARDS.—All educational programs and activities supported with funds provided under this subtitle shall be consistent with applicable State and local educational standards. Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in such programs shall be consistent with applicable State and local educational standards.

"(e) WAGES, LABOR STANDARDS, AND NONDISCRIMINATION.—To the extent consistent with the provisions of this subtitle, sections 142, 143 and 167 of the Job Training Partnership Act, relating to wages and benefits, labor standards, and nondiscrimination, shall apply to the programs conducted under this subtitle as if such programs were conducted under the Job Training Partnership Act. This section may not be construed to prevent a recipient of a grant under this subtitle from using funds from non-Federal sources to increases wages and benefits under such programs, if appropriate.

"SEC. 457. DEFINITIONS.

"For purposes of this subtitle:

"(1) ADJUSTED INCOME.—The term 'adjusted income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(2) APPLICANT.—The term 'applicant' means a public or private nonprofit agency, including—

"(A) a community-based organization;

"(B) an administrative entity designated under section 103(b)(1)(B) of the Job Training Partnership Act;

"(C) a community action agency;

"(D) a State and local housing development agency;

"(E) a community development corporation;

"(F) a State and local youth service and conservation corps; and

"(G) any other entity eligible to provide education and employment training under other Federal employment training programs.

"(3) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization that—

"(A) maintains, through significant representation on the organization's governing board or otherwise, accountability to low-income community residents and, to the extent practicable, low-income beneficiaries of programs receiving assistance under this subtitle; and

"(B) has a history of serving the local community or communities where a program receiving assistance under this subtitle is located.

"(4) HOMELESS INDIVIDUAL.—The term 'homeless individual' has the meaning given the term in section 103 of the Stewart B. McKinney Homeless Assistance Act.

"(5) HOUSING DEVELOPMENT AGENCY.—The term 'housing development agency' means any agency of a State or local government, or any private nonprofit organization that is engaged in providing housing for homeless or low-income families.

"(6) INCOME.—The term 'income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(7) INDIVIDUAL WHO HAS DROPPED OUT OF HIGH SCHOOL.—The term 'individual who has dropped out of high school' means an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate of equivalency for such diploma, but does not include any individual who has attended secondary school at any time during the preceding 6 months.

"(8) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 1201(a) of the Higher Education Act of 1965.

"(9) LIMITED-ENGLISH PROFICIENCY.—The term 'limited-English proficiency' has the meaning given the term in section 7003 of the Bilingual Education Act.

"(10) LOW-INCOME FAMILY.—The term 'low-income family' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(11) OFFENDER.—The term 'offender' means any adult or juvenile with a record of arrest or conviction for a criminal offense.

"(12) QUALIFIED NONPROFIT AGENCY.—The term 'qualified public or private nonprofit agency' means any nonprofit agency that has significant prior experience in the operation of projects similar to the Youthbuild program authorized under this subtitle and that has the capacity to provide effective technical assistance.

"(13) RELATED FACILITIES.—The term 'related facilities' includes cafeterias or dining halls, community rooms or buildings, appropriate recreation facilities, and other essential service facilities.

"(14) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(15) STATE.—The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, the Trust Territories of the Pacific Islands, or any other territory or possession of the United States.

"(16) TRANSITIONAL HOUSING.—The term 'transitional housing' means a project that has as its purpose facilitating the movement of homeless individuals and families to independent living within a reasonable amount of time. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

"(17) VERY LOW-INCOME FAMILY.—The term 'very low-income family' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(18) YOUTHBUILD PROGRAM.—The term 'Youthbuild program' means any program that receives assistance under this subtitle and provides disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

"SEC. 458. MANAGEMENT AND TECHNICAL ASSISTANCE.

"(a) SPONSOR ASSISTANCE.—The Secretary shall enter into contracts with a qualified public or private nonprofit agency to provide appropriate training, information, and technical assistance to sponsors of programs assisted under this subtitle.

"(b) APPLICATION PREPARATION.—Technical assistance may also be provided in the development of program proposals and the preparation of applications for assistance under this subtitle to eligible entities which intend or desire to submit such applications. Community-based organizations shall be given first priority in the provision of such assistance.

"(c) RESERVATION OF FUNDS.—The Secretary shall reserve 5 percent of the amounts available in each fiscal year under section 452(b) to carry out subsections (b) and (c) of this section.

"SEC. 459. CONTRACTS.

"Each Youthbuild program shall carry out the services and activities under this subtitle directly or through arrangements or under contracts with administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act, with State and local educational agencies, institutions of higher education, State and local housing development agencies, or with other public agencies and private organizations.

"SEC. 460. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for planning and implementation grants under this subtitle. Any amounts appropriated pursuant to this section shall remain available until expended.".

Subtitle E—Homeownership Programs

SEC. 181. HOPE HOMEOWNERSHIP PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) HOPE FOR PUBLIC AND INDIAN HOUSING HOMEOWNERSHIP.—The first sentence of section 301(c) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa(c)) is amended to read as follows: "There is authorized to be appropriated for grants under this title $100,000,000 for fiscal year 1993.".

(2) HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS.—The first sentence of section 421(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12871(c)) is amended to read as follows: "There is authorized to be appropriated for grants under this subtitle $100,000,000 for fiscal year 1993.".

(3) HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES.—The first sentence of section 441(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12891(b)) is amended to read as follows: "There is authorized to be appropriated for grants under this subtitle $200,000,000 for fiscal year 1993.".

(b) GRANT SELECTION CRITERIA FOR HOPE FOR PUBLIC AND INDIAN HOUSING.—Section 303(e)(8) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-2(e)(8)) is amended by striking "appreciably".

(c) FAIR MARKET PRICE FOR SALE UNDER HOPE FOR PUBLIC AND INDIAN HOUSING.—Section 305(a) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-4(a) is amended by adding at the end the following new sentence: "The Secretary may not approve a homeownership program unless the program provides for the public housing agency to receive fair market compensation for the transfer of the project.".

(d) ELIGIBILITY OF MUTUAL HOUSING ASSOCIATIONS FOR GRANTS UNDER HOPE FOR MULTIFAMILY UNITS.—Section 426(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12876(1)) is amended by adding at the end the following new subparagraph:

"(G) A mutual housing association.".

(e) ELIGIBLE PROPERTY UNDER HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS.—Section 426(3)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12876(3)(D)) is amended—

(1) by striking the first comma and inserting "or"; and

(2) by striking "or a State or local government" and inserting "or owned or held by a State or local government (or instrumentality of a State or local government) and is not a public housing project with respect to which assistance may be provided under title III of the United States Housing Act of 1937".

(f) PREFERENCE FOR ACQUISITION OF VACANT UNITS UNDER HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES.—Section 444 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12894) is amended by adding at the end the following new subsection:

"(f) PREFERENCE FOR ACQUISITION OF VACANT UNITS.—Each homeownership program under

this subtitle shall provide that, in making vacant units in eligible properties available for acquisition by eligible families, preference shall be given to eligible families who reside in public or Indian housing.".

SEC. 182. NATIONAL HOMEOWNERSHIP TRUST DEMONSTRATION.

(a) EXTENSION OF TRUST.—Section 310 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12859) is amended by striking "on September 30, 1993" and inserting "September 30, 1994".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 308 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12857) is amended to read as follows:

"SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

"(a) ASSISTANCE.—There is authorized to be appropriated for assistance payments under this subtitle $542,360,000 for fiscal year 1993, of which such sums as may be necessary shall be available for use under section 303(e). Any amount appropriated under this subsection shall be deposited in the Fund and shall remain available until expended, subject to the provisions of section 310.

"(b) CREDIT COSTS.—There is authorized to be appropriated such sums as may be necessary for fiscal year 1993 to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of repayable assistance payments entered into pursuant to this subtitle (a). Any amount appropriated under this subsection shall be deposited in the Fund and shall remain available until expended, subject to the provisions of section 310.".

(c) USE OF TRUST AMOUNTS IN CONNECTION WITH MORTGAGE REVENUE BONDS.—

(1) IN GENERAL.—Section 303 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852) is amended by adding at the end the following new subsection:

"(e) ASSISTANCE IN CONNECTION WITH HOUSING FINANCED WITH MORTGAGE REVENUE BONDS.—

"(1) AUTHORITY AND ELIGIBILITY.—The Trust shall provide assistance for first-time homebuyers in the form of interest rate buydowns and downpayment assistance under this subsection. Such assistance shall be available only with respect to mortgages for the purchase of residences (A) financed with the proceeds of a qualified mortgage bond (as such term is defined in section 143 of the Internal Revenue Code of 1986), or (B) for which a credit is allowable under section 25 of such Code. To be eligible for assistance under this subsection, homebuyers and mortgages shall also meet the requirements under subsection (b) of this section, except that the certification under subsection (b)(3) shall not be required for assistance under this subsection.

"(2) LIMITATION OF ASSISTANCE.—Notwithstanding subsection (a), assistance payments for first-time homebuyers under this subsection shall be provided in the following manners:

"(A) INTEREST RATE BUYDOWNS.—Assistance payments to decrease the rate of interest payable on the mortgages by the homebuyers, in an amount not exceeding—

"(i) in the first year of the mortgage, 2.0 percent of the total principal obligation of the mortgage;

"(ii) in the second year of the mortgage, 1.5 percent of the total principal obligation of the mortgage;

"(iii) in the third year of the mortgage, 1.0 percent of the total principal obligation of the mortgage; and

"(iv) in the fourth year of the mortgage, 0.5 percent of the total principal obligation of the mortgage.

"(B) DOWNPAYMENT ASSISTANCE.—Assistance payments to provide amounts for downpayments on mortgages by the homebuyers, in an amount not exceeding 2.5 percent of the principal obligation of the mortgage.

"(3) AVAILABILITY.—The Trust may make assistance payments under subparagraphs (A) and (B) of paragraph (2) with respect to a single mortgage of a homebuyer.".

(2) ALLOCATION.—Section 303(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852(d)) is amended—

(A) by inserting "that are not reserved for assistance under subsection (e)" after "subtitle"; and

(B) by adding at the end the following new sentence: "Amounts reserved for assistance under subsection (e) shall not be allocated by State.".

(3) CONFORMING AMENDMENT.—Section 303(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852(a)) is amended by adding at the end the following new paragraph:

"(3) ASSISTANCE IN CONNECTION WITH MORTGAGE REVENUE BONDS FINANCING.—Interest rate buydowns and downpayment assistance in the manner provided in subsection (e).".

(d) ELIGIBILITY OF MANUFACTURED HOME OWNERS.—Section 303(b)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852(b)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(D) meets the requirements of subparagraph (A), (B), or (C), except for owning, as a principal residence, a dwelling unit whose structure is—

"(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations; or

"(ii) not in compliance with State, local, or model building codes, or other applicable codes, and can not be brought into compliance with such codes for less than the cost of constructing a permanent structure.".

(e) REGULATIONS.—The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section) not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

SEC. 183. NEHEMIAH HOUSING OPPORTUNITY GRANTS.

(a) HOMEOWNER INCENTIVE.—Section 604 of the Housing and Community Development Act of 1987 (12 U.S.C. 1715l note) is amended—

(1) in subsection (b)(4), by inserting before the period the following: ", subject to the provisions of subsection (c)"; and

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

"(c) HOMEOWNER INCENTIVE.—The nonprofit organization may provide that, upon the sale or transfer of a property purchased with a loan made under this section, any proceeds remaining after repaying the first mortgage shall be distributed in the following order:

"(1) DOWNPAYMENT.—The amount of the downpayment made by the seller or transferor upon the purchase of the property shall be paid to the seller or transferor.

"(2) LOAN AND PROFIT.—Any amounts remaining after distribution under paragraph (1) shall be shared equally between the Secretary and the seller or transferor, but only to the extent that the Secretary recovers an amount equal to the amount of the loan made under this section. If such remaining amounts are insufficient for the Secretary to recover the full amount of the loan made under this section, the second mortgage held by the Secretary under subsection (b)(1) shall remain on the property to the extent of the amount unrecovered until the loan is paid in full from any proceeds from the sale or transfer of the property by the purchaser or transferee.

"(3) PROFIT.—Any amounts remaining after distribution under paragraphs (1) and (2) shall be paid to the seller or transferor.".

(b) CONFORMING AMENDMENTS.—Section 606(e)(5) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715l note) is amended—

(1) by inserting "subject to the provisions of section 604(c)," after the comma; and

(2) by inserting "of such loan" after "without repayment".

(c) APPLICABILITY.—The amendments made by this section shall apply to any loan made under section 604 of the Housing and Community Development Act of 1987 after July 1, 1990.

SEC. 184. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) AUTHORITY.—To provide access to sources of private financing to Indian families and Indian housing authorities who otherwise could not acquire housing financing because of the unique legal status of Indian trust land, the Secretary may guarantee not to exceed 100 percent of the unpaid principal and interest due on any loan eligible under subsection (b) made to an Indian family or Indian housing authority.

(b) ELIGIBLE LOANS.—Loans guaranteed pursuant to this section shall meet the following requirements:

(1) ELIGIBLE BORROWERS.—The loans shall be made only to borrowers who are Indian families or Indian housing authorities.

(2) ELIGIBLE HOUSING.—The loan shall be used to construct, acquire, or rehabilitate 1- to 4-family dwellings that are standard housing and are located on trust land or land located in an Indian or Alaska Native area.

(3) SECURITY.—The loan may be secured by any collateral authorized under existing Federal law or applicable State or tribal law.

(4) LENDERS.—The loan shall be made only by a lender approved by and meeting qualifications established by the Secretary, except that loans otherwise insured or guaranteed by an agency or instrumentality of the Federal Government or made by an organization of Indians from amounts borrowed from the United States shall not be eligible for guarantee under this section. The following lenders are deemed to be approved under this paragraph:

(A) Any mortgagee approved by the Secretary of Housing and Urban Development for participation in the single family mortgage insurance program under title II of the National Housing Act.

(B) Any lender whose housing loans under chapter 37 of title 38, United States Code are automatically guaranteed pursuant to section 1802(d) of such title.

(C) Any lender approved by the Secretary of Agriculture to make guaranteed loans for single family housing under the Housing Act of 1949.

(D) Any other lender that is supervised, approved, regulated, or insured by any agency of the Federal Government.

(5) TERMS.—The loan shall—

(A) be made for a term not exceeding 30 years;

(B) bear interest (exclusive of the guarantee fee under section 404 and service charges, if any) at a rate agreed upon by the borrower and the lender and determined by the Secretary to be reasonable, which may not exceed the rate generally charged in the area (as determined by the Secretary) for home mortgage loans not guaran-

teed or insured by any agency or instrumentality of the Federal Government;

(C) involve a principal obligation not exceeding—

(i) an amount equal to the sum of (I) 97 percent of $25,000 of the appraised value of the property, as of the date the loan is accepted for guarantee, and (II) 95 percent of such value in excess of $25,000; and

(ii) the amount approved by the Secretary under this section; and

(D) involve a payment on account of the property (i) in cash or its equivalent, or (ii) through the value of any improvements to the property made through the skilled or unskilled labor of the borrower, as the Secretary shall provide.

(c) CERTIFICATE OF GUARANTEE.—

(1) APPROVAL PROCESS.—Before the Secretary approves any loan for guarantee under this section, the lender shall submit the application for the loan to the Secretary for examination. If the Secretary approves the loan for guarantee, the Secretary shall issue a certificate under this paragraph as evidence of the guarantee.

(2) STANDARD FOR APPROVAL.—The Secretary may approve a loan for guarantee under this section and issue a certificate under this paragraph only if the Secretary determines there is a reasonable prospect of repayment of the loan.

(3) EFFECT.—A certificate of guarantee issued under this paragraph by the Secretary shall be conclusive evidence of the eligibility of the loan for guarantee under the provisions of this section and the amount of such guarantee. Such evidence shall be incontestable in the hands of the bearer and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Secretary as security for such obligations.

(4) FRAUD AND MISREPRESENTATION.—This subsection may not be construed to preclude the Secretary from establishing defenses against the original lender based on fraud or material misrepresentation or to bar the Secretary from establishing by regulations in effect on the date of issuance or disbursement, whichever is earlier, partial defenses to the amount payable on the guarantee.

(d) GUARANTEE FEE.—The Secretary shall fix and collect a guarantee fee for the guarantee of loans under this section, which may not exceed the amount equal to 1 percent of the principal obligation of the loan. The fee shall be paid by the lender at time of issuance of the guarantee and shall be adequate, in the determination of the Secretary, to cover expenses and probable losses. The Secretary shall deposit any fees collected under this subsection in the Indian Housing Loan Guarantee Fund established under subsection (i).

(e) LIABILITY UNDER GUARANTEE.—The liability under a guarantee provided under this section shall decrease or increase on a pro rata basis according to any decrease or increase in the amount of the unpaid obligation under the provisions of the loan agreement.

(f) TRANSFER AND ASSUMPTION.—Notwithstanding any other provision of law, any loan guaranteed under this section, including the security given for the loan, may be sold or assigned by the lender to any financial institution subject to examination and supervision by an agency of the Federal Government or of any State or the District of Columbia.

(g) DISQUALIFICATION OF LENDERS AND CIVIL MONEY PENALTIES.—

(1) IN GENERAL.—If the Secretary determines that any lender or holder of a guarantee certificate under subsection (c) has failed to maintain adequate accounting records, to adequately service loans guaranteed under this section, to exercise proper credit or underwriting judgment, or has engaged in practices otherwise detrimental to the interest of a borrower or the United States, the Secretary may—

(A) refuse, either temporarily or permanently, to guarantee any further loans made by such lender or holder;

(B) bar such lender or holder from acquiring additional loans guaranteed under this section; and

(C) require that such lender or holder assume not less than 10 percent of any loss on further loans made or held by the lender or holder that are guaranteed under this section.

(2) CIVIL MONEY PENALTIES FOR INTENTIONAL VIOLATIONS.—If the Secretary determines that any lender or holder of a guarantee certificate under subsection (c) has intentionally failed to maintain adequate accounting records, to adequately service loans guaranteed under this section, or to exercise proper credit or underwriting judgment, the Secretary may impose a civil money penalty on such lender or holder in the manner and amount provided under section 536 of the National Housing Act with respect to mortgagees and lenders under such Act.

(3) PAYMENT ON LOANS MADE IN GOOD FAITH.—Notwithstanding paragraphs (1) and (2), the Secretary may not refuse to pay pursuant to a valid guarantee on loans of a lender or holder barred under this subsection if the loans were previously made in good faith.

(h) PAYMENT UNDER GUARANTEE.—

(1) LENDER OPTIONS.—

(A) IN GENERAL.—In the event of default by the borrower on a loan guaranteed under this section, the holder of the guarantee certificate shall provide written notice of the default to the Secretary. Upon providing such notice, the holder of the guarantee certificate shall be entitled to payment under the guarantee (subject to the provisions of this section) and may proceed to obtain payment in one of the following manners:

(i) FORECLOSURE.—The holder of the certificate may initiate foreclosure proceedings in a court of competent jurisdiction (after providing written notice of such action to the Secretary) and upon a final order by the court authorizing foreclosure and submission to the Secretary of a claim for payment under the guarantee, the Secretary shall pay to the holder of the certificate the pro rata portion of the amount guaranteed (as determined pursuant to subsection (e)) plus reasonable fees and expenses as approved by the Secretary. The Secretary shall be subrogated to the rights of the holder of the guarantee and the lender holder shall assign the obligation and security to the Secretary.

(ii) NO FORECLOSURE.—Without seeking a judicial foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a claim for payment under the guarantee and the Secretary shall only pay to such holder for a loss on any single loan an amount equal to 90 percent of the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.

(B) REQUIREMENTS.—Before any payment under a guarantee is made under subparagraph (A), the holder of the guarantee shall exhaust all reasonable possibilities of collection. Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States. The Secretary shall then take such action to collect as the Secretary determines appropriate.

(2) ASSIGNMENT BY SECRETARY.—Notwithstanding paragraph (1), upon receiving notice of default on a loan guaranteed under this section from the holder of the guarantee, the Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.

(3) LIMITATIONS ON LIQUIDATION.—In the event of a default by the borrower on a loan guaranteed under this section involving a security interest in tribal allotted or trust land, the Secretary shall only pursue liquidation after offering to transfer the account to an eligible tribal member, the tribe, or the Indian housing authority serving the tribe or tribes. If the Secretary subsequently proceeds to liquidate the account, the Secretary shall not sell, transfer, or otherwise dispose of or alienate the property except to one of the entities described in the preceding sentence.

(i) INDIAN HOUSING LOAN GUARANTEE FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States the Indian Housing Loan Guarantee Fund for the purpose of providing loan guarantees under this section.

(2) CREDITS.—The Guarantee Fund shall be credited with—

(A) any amounts, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and any collections and proceeds therefrom;

(B) any amounts appropriated under paragraph (7);

(C) any guarantee fees collected under subsection (d); and

(D) any interest or earnings on amounts invested under paragraph (4).

(3) USE.—Amounts in the Guarantee Fund shall be available, to the extent provided in appropriation Acts, for—

(A) fulfilling any obligations of the Secretary with respect to loans guaranteed under this section, including the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of such loans;

(B) paying taxes, insurance, prior liens, expenses necessary to make fiscal adjustment in connection with the application and transmittal of collections, and other expenses and advances to protect the Secretary for loans which are guaranteed under this section or held by the Secretary;

(C) acquiring such security property at foreclosure sales or otherwise;

(D) paying administrative expenses in connection with this section; and

(E) reasonable and necessary costs of rehabilitation and repair to properties that the Secretary holds or owns pursuant to this section.

(4) INVESTMENT.—Any amounts in the Guarantee Fund determined by the Secretary to be in excess of amounts currently required to carry out this section may be invested in obligations of the United States.

(5) LIMITATION ON COMMITMENTS TO GUARANTEE LOANS AND MORTGAGES.—

(A) REQUIREMENT OF APPROPRIATIONS.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year only to the extent or in such amounts as are or have been provided in appropriations Acts for such fiscal year.

(B) LIMITATIONS ON COSTS OF GUARANTEES.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year only to the extent that amounts in the Guarantee Fund are or have been made available in appropriation Acts to cover the costs (as such term is defined in section 502 of the Congressional Budget

Act of 1974) of such loan guarantees for such fiscal year.

(C) LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.—Subject to the limitations in subparagraphs (A) and (B), the Secretary may enter into commitments to guarantee loans under this section in each of fiscal years 1993 and 1994 with an aggregate outstanding principal amount not exceeding such amount as may be provided in appropriation Acts for each such year.

(6) LIABILITIES.—All liabilities and obligations of the assets credited to the Guarantee Fund under paragraph (2)(A) shall be liabilities and obligations of the Guarantee Fund.

(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Guarantee Fund to carry out this section such sums as may be necessary for each of fiscal years 1993, 1994, and 1995.

(j) REQUIREMENTS FOR STANDARD HOUSING.—The Secretary shall, by regulation, establish housing safety and quality standards for use under this section. Such standards shall provide sufficient flexibility to permit the use of various designs and materials in housing acquired with loans guaranteed under this section. The standards shall require each dwelling unit in any housing so acquired to—

(1) be decent, safe, sanitary, and modest in size and design;

(2) conform with applicable general construction standards for the region;

(3) contain a heating system that—

(A) has the capacity to maintain a minimum temperature in the dwelling of 65 degrees Fahrenheit during the coldest weather in the area;

(B) is safe to operate and maintain;

(C) delivers a uniform distribution of heat; and

(D) conforms to any applicable tribal heating code or, if there is no applicable tribal code, an appropriate county, State, or National code;

(4) contain a plumbing system that—

(A) uses a properly installed system of piping;

(B) includes a kitchen sink and a partitional bathroom with lavatory, toilet, and bath or shower; and

(C) uses water supply, plumbing, and sewage disposal systems that conform to any applicable tribal code or, if there is no applicable tribal code, the minimum standards established by the applicable county or State;

(5) contain an electrical system using wiring and equipment properly installed to safely supply electrical energy for adequate lighting and for operation of appliances that conforms to any applicable tribal code or, if there is no applicable tribal code, an appropriate county, State, or National code;

(6) be not less than—

(A)(i) 570 square feet in size, if designed for a family of not more than 4 persons;

(ii) 850 square feet in size, if designed for a family of not less than 5 and not more than 7 persons; and

(iii) 1020 square feet in size, if designed for a family of not less than 8 persons, or

(B) the size provided under the applicable locally adopted standards for size of dwelling units;

except that the Secretary, upon the request of a tribe or Indian housing authority, may waive the size requirements under this paragraph; and

(7) conform with the energy performance requirements for new construction established by the Secretary under section 526(a) of the National Housing Act.

(k) DEFINITIONS.—For purposes of this section:

(1) The term "family" means 1 or more persons maintaining a household, as the Secretary shall by regulation provide.

(2) The term "Guarantee Fund" means the Indian Housing Loan Guarantee Fund established under subsection (i).

(3) The term "Indian" means person recognized as being Indian or Alaska Native by an Indian tribe, the Federal Government, or any State.

(4) The term "Indian area" means the area within which an Indian housing authority is authorized to provide housing.

(5) The term "Indian housing authority" means any entity that—

(A) is authorized to engage in or assist in the development or operation of low-income housing for Indians; and

(B) is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law; or

(ii) by operation of State law providing specifically for housing authorities for Indians, including regional housing authorities in the State of Alaska.

(6) The term "Secretary" means the Secretary of Housing and Urban Development.

(7) The term "standard housing" means a dwelling unit or housing that complies with the requirements established under subsection (j).

(8) The term "tribe" means any tribe, band, pueblo, group, community, or nation of Indians or Alaska Natives.

(9) The term "trust land" means land title to which is held by the United States for the benefit of an Indian or Indian tribe or title to which is held by an Indian tribe subject to a restriction against alienation imposed by the United States.

SEC. 185. ASSISTANCE UNDER SECTION 8 FOR HOMEOWNERSHIP.

(a) AUTHORITY.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), as amended by section 141(a) of this Act, is further amended by adding at the end the following new subsection:

"(u) HOMEOWNERSHIP OPTION.—

"(1) USE OF ASSISTANCE FOR HOMEOWNERSHIP.—A family receiving tenant-based assistance under this section may receive assistance for occupancy of a dwelling owned by one or more members of the family if the family—

"(A) is a first-time homeowner;

"(B)(i) participates in the family self-sufficiency program under section 23 of the public housing agency providing the assistance; or

"(ii) demonstrates that the family has income from employment or other sources (other than public assistance), as determined in accordance with requirements of the Secretary, that is not less than twice the payment standard established by the public housing agency (or such other amount as may be established by the Secretary);

"(C) except as provided by the Secretary, demonstrates at the time the family initially receives tenant-based assistance under this subsection that one or more adult members of the family have achieved employment for the period as the Secretary shall require;

"(D) participates in a homeownership and housing counseling program provided by the agency; and

"(E) meets any other initial or continuing requirements established by the public housing agency in accordance with requirements established by the Secretary.

"(2) MONTHLY ASSISTANCE PAYMENT.—

"(A) IN GENERAL.—Notwithstanding any other provisions of this section governing determination of the amount of assistance payments under this section on behalf of a family, the monthly assistance payment for any family assisted under this subsection shall be the amount by which the fair market rent for the area established under subsection (f) exceeds 30 percent of the family's monthly adjusted income; except that the monthly assistance payment shall not exceed the amount by which the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceeds 10 percent of the family's monthly income.

"(B) EXCLUSION OF EQUITY FROM INCOME.—For purposes of determining the monthly assistance payment for a family, the Secretary shall not include in family income an amount imputed from the equity of the family in a dwelling occupied by the family with assistance under this subsection.

"(3) RECAPTURE OF CERTAIN AMOUNTS.—Upon sale of the dwelling by the family, the Secretary shall recapture from any net proceeds the amount of additional assistance (as determined in accordance with requirements established by the Secretary) paid to or on behalf of the eligible family as a result of paragraph (2)(B).

"(4) DOWNPAYMENT REQUIREMENT.—Each public housing agency providing assistance under this subsection shall ensure that each family assisted shall provide from its own resources not less than 80 percent of any downpayment in connection with a loan made for the purchase of a dwelling. Such resources may include amounts from any escrow account for the family established under section 23(d). Not more than 20 percent of the downpayment may be provided from other sources, such as from nonprofit entities and programs of States and units of general local government.

"(5) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive assistance under this subsection during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

"(6) INAPPLICABILITY OF CERTAIN PROVISIONS.—Assistance under this subsection shall not be subject to the requirements of the following provisions:

"(A) Subsection (f)(2) of this section.

"(B) Subsection (h)(3) of this section.

"(C) Any other provisions of this section governing maximum amounts payable to owners and amounts payable by assisted families.

"(D) Any other provisions of this section concerning contracts between public housing agencies and owners.

"(E) Any other provisions of this Act that are inconsistent with the provisions of this subsection.

"(7) REVERSION TO RENTAL STATUS.—

"(A) FHA-INSURED MORTGAGES.—If a family receiving assistance under this subsection for occupancy of a dwelling defaults under a mortgage for the dwelling insured by the Secretary under the National Housing Act, the family may not continue to receive rental assistance under this section unless the family (i) transfers to the Secretary marketable title to the dwelling, (ii) moves from the dwelling within the period established or approved by the Secretary, and (iii) agrees that any amounts the family is required to pay to reimburse the escrow account under section 23(d)(4) may be deducted by the public housing agency from the assistance payment otherwise payable on behalf of the family.

"(B) OTHER MORTGAGES.—If a family receiving assistance under this subsection defaults under a mortgage not insured under the National Housing Act, the family may not continue to receive rental assistance under this section unless it complies with requirements established by the Secretary.

"(C) ALL MORTGAGES.—A family receiving assistance under this subsection that defaults under a mortgage may not receive assistance under this subsection for occupancy of another dwelling owned by one or more members of the family.

"(8) DEFINITION OF FIRST-TIME HOMEOWNER.—For purposes of this subsection, the term 'first-time homeowner' means—

"(A) a family, no member of which has had a present ownership interest in a principal residence during the 3 years preceding the date on which the family initially receives assistance for homeownership under this subsection; and

"(B) any other family, as the Secretary may prescribe.

"(9) LIMITATION ON USE OF ASSISTANCE.—The Secretary shall ensure that the total number of dwellings assisted under this subsection at any one time may not exceed 10,000.".

(b) FAMILY SELF-SUFFICIENCY PROGRAM.—Section 23(d) of the United States Housing Act of 1937 (42 U.S.C. 1437u), as amended by section 106(h) of this Act, is further amended by adding at the end the following new paragraph:

"(4) USE OF ESCROW SAVINGS ACCOUNTS FOR SECTION 8 HOMEOWNERSHIP.—Notwithstanding paragraph (3), a family that uses assistance under section 8(u) to purchase a dwelling may use up to 50 percent of the amount in its escrow account established under paragraph (3) for a downpayment on the dwelling. In addition, after the family purchases the dwelling, the family may use any amounts remaining in the escrow account to cover the costs of major repair and replacement needs of the dwelling. If a family defaults in connection with the loan to purchase a dwelling and the mortgage is foreclosed, the remaining amounts in the escrow account shall be recaptured by the Secretary.".

(c) USE OF FHA INSURANCE WITH SECTION 8 HOMEOWNERSHIP.—

(1) IN GENERAL.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended—

(A) in the matter preceding subparagraph (A) in subsection (c)(2), by inserting "or of the General Insurance Fund pursuant to subsection (v)" after "Fund"; and

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

"(v) Notwithstanding section 202 of this title, the insurance of a mortgage under this section in connection with the assistance provided under section 8(u) of the United States Housing Act of 1937 shall be the obligation of the General Insurance Fund created pursuant to section 519 of this title. The provisions of subsections (a) through (h), (j), and (k) of section 204 shall apply to such mortgages, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund, and (2) any excess amounts described in section 204(f)(1) shall be retained by the Secretary and credited to the General Insurance Fund.".

(2) GENERAL INSURANCE FUND.—Section 519(e) of the National Housing Act (12 U.S.C. 1735c(e)) is amended by inserting after "203(b)" the following: "(except as provided in section 203(v))".

(3) MORTGAGE INSURANCE TRANSITION PREMIUMS.—The matter preceding paragraph (1) in section 2103(b) of the Omnibus Budget Reconciliation Act of 1990 (12 U.S.C. 1709 note) is amended by inserting "or of the General Insurance Fund pursuant to section 203(v) of the National Housing Act" after "Fund".

(4) CONFORMING AMENDMENT.—The third sentence of section 3(a)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)) is amended by striking "(other than a family assisted under section 8(o))" and inserting the following: "(other than a family paying rent under section 8(f)(2) or a family assisted under section 8(u))".

Subtitle F—Implementation

SEC. 191. IMPLEMENTATION.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of this title and the amendments made by this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, except as expressly provided otherwise in this title and the amendments made by this title. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

TITLE II—HOME INVESTMENT PARTNERSHIPS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12724) is amended to read as follows:

"SEC. 205. AUTHORIZATION.

"There is authorized to be appropriated to carry out this title $2,169,440,000 for fiscal year 1993, of which—

"(1) not more than $14,560,000 shall be for community housing partnership activities authorized under section 233; and

"(2) not more than $11,440,000 shall be for activities in support of State and local housing strategies authorized under subtitle C.".

SEC. 202. ELIMINATION OF RESTRICTIONS ON NEW CONSTRUCTION.

(a) ELIGIBLE USES OF INVESTMENT.—Section 212(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)) is amended—

(1) in the last sentence of paragraph (2), by striking "paragraph (3) of this subsection or";

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) FORMULA ALLOCATION.—Section 217(b)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(b)(1)) is amended—

(1) by striking subparagraph (A);

(2) in subparagraph (D), by striking "Except as provided in subparagraph (A), the basic formula established under subparagraph (B)" and inserting "The basic formula established under subparagraph (A)";

(3) in subparagraph (E), by striking "formulas in subparagraph (B)" and inserting "formula in subparagraph (A)";

(4) in subparagraph (F)—

(A) in the first sentence, by striking "subparagraph (B)" and inserting "subparagraph (A)"; and

(B) by striking the second sentence;

(5) in subparagraph (G), by striking "formulas in subparagraphs (A) and (B)" and inserting "formula in subparagraph (A)"; and

(6) by redesignating subparagraphs (B) through (G) (as amended by this paragraph) as subparagraphs (A) through (F), respectively.

(c) CONFORMING AMENDMENT.—Section 218(g) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12748(g)) is amended by striking "Except as provided in section 217(b)(1)(A)(ii), if" and inserting "If".

SEC. 203. USE OF TENANT-BASED RENTAL ASSISTANCE AMOUNTS FOR SECURITY DEPOSITS.

Section 212(a)(3) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)(3)), as so redesignated by section 202(a)(3) of this Act, is amended by adding at the end the following new subparagraph:

"(E) SECURITY DEPOSIT ASSISTANCE.—A jurisdiction using funds provided under this subtitle for tenant-based rental assistance may use such funds to provide loans or grants to very low- and low-income families for security deposits for rental of dwelling units. Any amounts used under this subparagraph shall not be subject to the requirements of subparagraph (A)(ii). An eligible family may be provided security assistance under this subparagraph, rental assistance under this paragraph, or both.".

SEC. 204. MCKINNEY ACT ACTIVITIES FOR HOMELESS PERSONS AS ELIGIBLE USE OF INVESTMENT.

(a) ELIGIBLE USES.—Section 212(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)), as amended by sections 202 and 203 of this Act, is further amended—

(1) in paragraph (1)—

(A) by striking "and" after the last comma; and

(B) by inserting before the period at the end the following: "and to carry out activities under title IV of the Stewart B. McKinney Homeless Assistance Act"; and

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

"(4) MCKINNEY ACT ACTIVITIES.—A participating jurisdiction may elect to use funds provided under this subtitle to provide assistance to any project established according to requirements under title IV of the Stewart B. McKinney Homeless Assistance Act, except that such funds may be used for the provision of emergency shelter grants under subtitle B of title IV of such Act only if the comprehensive housing affordability strategy for the jurisdiction includes a plan for meeting current emergency shelter needs with transitional or permanent housing within a 5-year period.".

(b) QUALIFICATION AS AFFORDABLE HOUSING.—Section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745) is amended by adding at the end the following new subsection:

"(c) MCKINNEY ACT ACTIVITIES.—Housing assisted pursuant to section 212(a)(4) shall qualify as affordable housing for purposes of this title.".

SEC. 205. PER UNIT COST LIMITS.

(a) MINIMUM LIMITS.—Section 212(d)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12744(d)(1)) is amended by inserting after the first sentence the following new sentence: "Such limits shall not be less than the per unit dollar amount limitations set forth in section 221(d)(3)(ii) of the National Housing Act, as such limitations may be adjusted in accordance therewith; except that for purposes of this subsection the Secretary shall, by regulation, increase the per unit dollar amount limitations in any geographical area by an amount, not to exceed 140 percent, that equals the amount by which the costs of multifamily housing construction in the area exceed the national average of such costs.".

(b) DISAPPROVAL OF INTERIM REGULATION.—

(1) PROHIBITION.—The Secretary of Housing and Urban Development may not implement or otherwise make effective the provision described in paragraph (2) or any final rule based on such section.

(2) IDENTIFICATION OF INTERIM RULE.—The provision referred to in paragraph (1) shall be section 92.250 of title 24, Code of Federal Regulation, contained in the interim rule issued by the Secretary of Housing and Urban Development, entitled "HOME Investment Partnerships Program", and published in the Federal Register of December 16, 1991 (56 Fed. Reg. 65353).

SEC. 206. ADMINISTRATIVE COSTS AS ELIGIBLE USE OF INVESTMENT.

(a) ELIGIBLE USE.—Section 212 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742) is amended—

(1) in subsection (c)(1), by inserting "that exceed the amount specified under subsection (c)" before the comma at the end;

(2) by redesignating subsections (c), (d) (as amended by the preceding provisions of this Act), and (e) as subsections (d), (e), and (f), respectively; and

(3) by inserting after subsection (b) the following new subsection:

"(c) ADMINISTRATIVE COSTS.—In each fiscal year, each participating jurisdiction may use

not more than 10 percent of the funds made available under this subtitle to the jurisdiction for such year for any administrative costs of the jurisdiction in carrying out this subtitle, including the costs of the salaries of persons engaged in administering and managing activities assisted with funds made available under this subtitle.".

(b) RECOGNITION OF MATCH.—Section 220 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750) is amended—

(1) in subsection (b)(2), by striking "shall" and all that follows and inserting "may not be recognized for purposes of subsection (a)."; and

(2) in subsection (c)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

SEC. 207. QUALIFICATION AS AFFORDABLE RENTAL HOUSING.

(a) HOUSING NOT ASSISTED BY LOW-INCOME HOUSING TAX CREDIT.—Section 215(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended—

(1) in paragraph (1)—

(A) by striking the matter preceding subparagraph (A) and inserting the following:

"(1) IN GENERAL.—Housing that is for rental shall qualify as affordable housing under this title if the housing—";

(B) in subparagraph (E), by striking "and" at the end;

(C) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following new subparagraph:

"(G) is not a qualified low-income building for purposes of section 42 of the Internal Revenue Code of 1986."; and

(2) in paragraph (3)—

(A) in the first sentence, by inserting "otherwise meeting the requirements of paragraph (1)" after "Housing";

(B) in the last sentence, by inserting "of housing that qualifies as affordable housing pursuant to paragraph (1)" after "Tenants"; and

(C) in the last sentence, by striking "not less than" and inserting "the lesser of the amount payable by the tenant under State or local law or".

(b) HOUSING ASSISTED BY LOW-INCOME HOUSING TAX CREDIT OR WITHIN QUALIFIED CENSUS TRACT.—Section 215(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended by adding at the end the following new paragraphs:

"(6) QUALIFICATION OF HOUSING ASSISTED BY LOW-INCOME HOUSING TAX CREDIT.—Notwithstanding paragraphs (1), (2), (3), and (7), housing that is for rental shall qualify as affordable housing under this title during any period in which the housing meets the requirements of section 42(g)(1) and is rent restricted under section 42(g)(2) of the Internal Revenue Code of 1986.

"(7) QUALIFICATION OF HOUSING LOCATED IN QUALIFIED CENSUS TRACT.—

"(A) IN GENERAL.—Notwithstanding paragraphs (1) and (6), housing that is for rental shall qualify as affordable housing under this title if—

"(i) the housing is located within a qualified census tract;

"(ii) not more than 33 percent of the units in the housing are occupied by families with qualified incomes who pay as rent an amount not exceeding 30 percent of the adjusted income of a family whose income equals 80 percent of the median income for the area (except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes);

"(iii) any families with incomes of not less than 100 percent of the median income for the area who occupy units in the housing pay as rent an amount equal to not less than 30 percent of the median income for the area; and

"(iv) not less than 10 percent of the units in the housing are occupied by families with incomes of not more than 35 percent of the area median income.

"(B) DEFINITIONS.—For purposes of this paragraph—

"(i) the term 'qualified census tract' means any census tract in which 50 percent or more of the households have an income which is less than 60 percent of the median family income for the area; and

"(ii) the term 'qualified income' means an income that does not exceed 100 percent of the median family income for the area (as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 100 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes).".

(c) APPLICABILITY.—The amendments made by this section shall apply with respect to any amounts appropriated to carry out this title for fiscal year 1992 and any fiscal year thereafter.

SEC. 208. RESALE OF HOMEOWNERSHIP HOUSING.

Section 215(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by striking paragraph (4) and inserting the following new paragraphs:

"(4) is subject to a requirement that, upon any subsequent sale of the property, any assistance provided for the housing from amounts made available under subtitle A shall be repaid, without interest, to the participating jurisdiction from the net proceeds of the sale;

"(5) is subject to a lien securing repayment to the participating jurisdiction of any such assistance provided for the housing, which—

"(A) shall be subordinate to all mortgages on the property existing on the date that any such assistance payment is first made; and

"(B) in the case of any sale resulting in no net proceeds or net proceeds that are insufficient to repay the amount of the assistance for the housing in full, shall be released to the extent that the debt secured by the lien remains unpaid; and".

SEC. 209. MATCHING REQUIREMENTS.

(a) IN GENERAL.—Section 220(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(a)) is amended to read as follows:

"(a) CONTRIBUTION.—Except as provided in subsection (d), each participating jurisdiction shall make contributions to affordable housing assisted under this title that total, throughout a fiscal year, not less than 10 percent of the total funds drawn from the jurisdiction's HOME Investment Trust Fund in that fiscal year. Such contributions shall be in addition to any amounts made available under section 216(3)(A)(ii).".

(b) ELIGIBILITY OF DEBT FINANCING FOR MATCH.—Section 220(c)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(c)(1)) is amended by inserting after the comma the following: "which may include funds provided to affordable housing under this title which are borrowed by the jurisdiction or a public agency of the jurisdiction or obtained by issuing debt instruments, without regard to the source of repayment of such funds, but".

(c) ELIGIBILITY OF MATERIALS AND SWEAT EQUITY FOR MATCH.—Section 220(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(c)), as amended by section 206(b) of this Act, is further amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

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

"(5) any other contributions to affordable housing, as the Secretary considers appropriate, which shall include the value of any site-preparation and construction materials and any donated or voluntary labor in connection with the site-preparation for, or construction or rehabilitation of, affordable housing.".

(d) WAIVER OF REQUIREMENT.—Section 220(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(d)) is amended to read as follows:

"(d) WAIVER OF REQUIREMENT.—The Secretary shall waive the applicability of the matching requirement under subsection (a) with respect to any funds drawn from a jurisdiction's HOME Investment Trust Fund Account during a fiscal year for any jurisdiction that is not a State, at the request of the jurisdiction, but only if the jurisdiction meets the requirements under one of the following paragraphs:

"(1) COMBINED ECONOMIC DISTRESS FACTORS.—The jurisdiction certifies, before the commencement of such fiscal year, any 3 of the following 5 requirements:

"(A) UNEMPLOYMENT.—That the average unemployment rate in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 150 percent of the average national unemployment rate during such calendar year (as determined according to information of the Bureau of Labor Statistics of the Department of Labor).

"(B) LABOR FORCE GROWTH.—That the rate of growth in the labor force in the jurisdiction for the 2 calendar years immediately preceding the year in which such fiscal year begins was less than 75 percent of the rate of growth in the national labor force during the same 2-year period (as determined according to information of the Bureau of Labor Statistics of the Department of Labor).

"(C) TAX EFFORT.—That the ratio of the amount of tax revenue collected per capita in the jurisdiction to the per capita income in the jurisdiction (as determined by the jurisdiction) for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 150 percent of the average for all participating jurisdictions of the ratio of tax revenue collected per capita in the participating jurisdiction to the per capita income in the participating jurisdiction (as determined according to information of the Bureau of the Census).

"(D) POVERTY RATE.—That the average poverty rate in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 125 percent of the average national poverty rate during such calendar year (as determined according to information of the Bureau of the Census).

"(E) PER CAPITA INCOME.—That the average per capita income in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was less than 75 percent of the average national per capita income during such calendar year (as determined according to information of the Bureau of the Census).

"(2) SEVERELY HIGH POVERTY RATE OR LOW PER CAPITA INCOME.—The jurisdiction certifies, before the commencement of such fiscal year, that—

"(A) the average poverty rate in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 150 percent of the average national poverty rate during such calendar year (as determined according to information of the Bureau of the Census); or

"(B) the average per capita income in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was less than 50 percent of the average national per capita income during such calendar year (as determined according to information of the Bureau of the Census).".

(e) APPLICABILITY.—The amendments made by this section shall apply with respect to fiscal year 1993 and each fiscal year thereafter.

SEC. 210. ASSISTANCE FOR INSULAR AREAS.

(a) REPEAL OF AMENDMENTS MADE BY PUBLIC LAW 102-230.—

(1) DEFINITIONS.—Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704) is amended to read as if the amendments made by section 2 of Public Law 102-230 (105 Stat. 1720) had not been enacted.

(2) ALLOCATION OF RESOURCES.—Section 217(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(a)) is amended—

(A) by striking the first sentence of paragraph (1) and inserting the following new sentence: "After reserving amounts under paragraph (2) for Indian tribes and after reserving amounts under paragraph (3) for the insular areas, the Secretary shall allocate funds approved in an appropriation Act to carry out this title by formula as provided in subsection (b).";

(B) by striking paragraph (3) (as added by Public Law 102-229; 105 Stat. 1709);

(C) by striking paragraph (3) (as added by Public Law 102-230; 105 Stat. 1720); and

(D) by adding after paragraph (2) the following new paragraph:

"(3) INSULAR AREAS.—For each fiscal year, of any amounts approved in appropriation Acts to carry out this title, the Secretary shall reserve for grants to the insular areas the greater of (A) $750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution, which shall be contained in a regulation issued by the Secretary.".

(3) EXPEDITED ISSUANCE OF REGULATION.—The regulation referred to in the amendment made by paragraph (2)(D) shall take effect not later than the expiration of the 90-day period beginning on the date of the enactment of this Act. The regulation shall not be subject to the requirements of subsections (b) and (c) of section 553 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take apply with respect to fiscal year 1993 and thereafter.

SEC. 211. USE OF ASSISTANCE TO ESTABLISH COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.

Section 231 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771) is amended—

(1) in subsection (a), by striking the first and second sentences and inserting the following new sentence: "A jurisdiction receiving funds under subtitle A shall reserve not less than 15 percent of such funds for the period determined under subsection (c) for investment only in housing to be developed, sponsored, or owned by community housing development organizations or for the development under subsection (b) of community housing development organizations.";

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(3) by inserting after subsection (a) the following new subsection:

"(b) IDENTIFICATION AND ESTABLISHMENT OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.—

"(1) IDENTIFICATION.—Each participating jurisdiction shall make reasonable efforts to identify community housing development organizations that are capable or can reasonably be expected to become capable of carrying out elements of the jurisdiction's housing strategy and to encourage such community housing development organizations to do so.

"(2) ESTABLISHMENT.—Any participating jurisdiction that cannot, pursuant to paragraph (1), identify any community housing development organization serving the jurisdiction may use not more than 5 percent of any funds reserved under subsection (a) to provide technical assistance in establishing a community housing development organization."; and

(4) in subsection (c) (as so redesignated by paragraph (2) of this section)—

(A) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(B) by striking "(c) RECAPTURE AND REUSE.—If" and inserting the following:

"(c) RECAPTURE AND REUSE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), if"; and

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

"(2) EXTENSION FOR JURISDICTIONS ESTABLISHING COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.—With respect to any participating jurisdiction that (A) uses funds reserved under subsection (a) (as provided in subsection (b)(2)), and (B) for which is established, during the 18-month period after the funds are made available, a community housing development organization that is capable (or can reasonably be expected to become capable) of carrying out elements of the jurisdiction's housing strategy, the Secretary may not recapture and reuse any funds reserved under subsection (a) and not invested unless the funds remain uninvested 18 months after the expiration of the 18-month period under paragraph (1).".

SEC. 212. HOUSING EDUCATION AND ORGANIZATIONAL SUPPORT FOR COMMUNITY LAND TRUSTS.

(a) COMMUNITY LAND TRUSTS.—Section 233 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773) is amended—

(1) in subsection (a)(2), by inserting ", including community land trusts," after "organizations";

(2) in subsection (b), by adding at the end the following new paragraph:

"(6) COMMUNITY LAND TRUSTS.—Organizational support, technical assistance, education, training, and continuing support under this subsection may be made available to community land trusts (as such term is defined in subsection (f)) and to community groups for the establishment of community land trusts.";

(3) in subsection (e)—

(A) by striking "SINGLE-STATE CONTRACTORS.—" and inserting "USE OF AMOUNTS.—"; and

(B) by adding at the end the following new sentence: "Not less than 10 percent of the funds made available for this section in any appropriation Act shall be made available only for eligible contractors with specific expertise in the establishment, organization, and management of community land trusts to carry out activities under subsection (b)(6).";

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

"(f) DEFINITION OF COMMUNITY LAND TRUST.—For purposes of this section, the term 'community land trust' means a community housing development organization (except that the requirement under section 104(6)(B) shall not apply for purposes of this subsection)—

"(1) that is not sponsored by a for-profit organization;

"(2) that is established to carry out the activities under paragraph (3);

"(3) that—

"(A) acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;

"(B) transfers ownership of any structural improvements located on such leased parcels to the lessees; and

"(C) retains a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low- and moderate-income families in perpetuity;

"(4) whose corporate membership that is open to any adult resident of a particular geographic area specified in the bylaws of the organization; and

"(5) whose board of directors—

"(A) includes a majority of members who are elected by the corporate membership; and

"(B) is composed of equal numbers of (i) lessees pursuant to paragraph (3)(B), (ii) corporate members who are not lessees, and (iii) any other category of persons described in the bylaws of the organization.".

(b) WOMEN IN HOMEBUILDING.—Section 233 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773), as amended by subsection (a) of this section, is further amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "and" at the end; and

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

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

"(3) to achieve the purposes under paragraphs (1) and (2) by helping women who reside in low- and moderate-income neighborhoods rehabilitate and construct housing in the neighborhoods.".

(2) in subsection (b), by adding after paragraph (6) (as added by subsection (a)(2) of this section) the following new paragraph:

"(7) FACILITATING WOMEN IN HOMEBUILDING PROFESSIONS.—Technical assistance may be made available to businesses, unions, and organizations involved in construction and rehabilitation of housing in low- and moderate-income areas to assist women residing in the area to obtain jobs involving such activities, which may include facilitating access by such women to, and providing, apprenticeship and other training programs regarding nontraditional skills, recruiting women to participate in such programs, providing continuing support for women at job sites, counseling and educating businesses regarding suitable work environments for women, providing information to such women regarding opportunities for establishing small housing construction and rehabilitation businesses, and providing materials and tools for training such women (in an amount not exceeding 10 percent of any assistance provided under this paragraph). The Secretary shall give priority under this paragraph to providing technical assistance for organizations rehabilitating single family or multifamily housing owned or controlled by the Secretary pursuant to title II of the National Housing Act and which have women members in occupations in which women constitute 25 percent or less of the total number of workers in the occupation (in this section referred to as 'nontraditional occupations').";

(3) in subsection (c)(1)—

(A) in subparagraph (C), by striking "and" at the end;

(B) in subparagraph (D), by striking "or" at the end and inserting "and"; and

(C) by adding at the end the following new subparagraph:

"(E) in the case of activities under subsection (b)(7), is a community-based organization (as such term is defined in section 4 of the Job Training Partnership Act) or public housing agency, which has demonstrated experience in preparing women for apprenticeship training in construction or administering programs for training women for construction or other nontraditional occupations (and such organizations may use assistance for activities under such subsection to employ women in housing construction and rehabilitation activities to the extent that the organization has the capacity to conduct such activities); or"; and

(4) in subsection (e), by adding after the period at the end of the sentence added by subsection (a)(3)(B) of this section the following new sentence: "The Secretary shall provide assistance under this section to contractors in each of the geographic regions having a regional office of the Department of Housing and Urban Development (subject only to the absence of applications from eligible organizations).".

SEC. 213. LAND BANK REDEVELOPMENT.

(a) PRIORITIES FOR CAPACITY DEVELOPMENT.—Section 242 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12782) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting "; and"; and

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

"(6) facilitate the establishment and efficient operation of land bank programs, under which title to vacant and abandoned parcels of real estate located in or causing blighted neighborhoods is cleared for use of the real estate by the unit of general local government in the best interests of the unit of general local government.".

(b) USE OF FUNDS.—Section 243 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12783) is amended by adding at the end the following new subsection:

"(c) USE OF FUNDS.—Not less than 5 percent of the amounts available to carry out this subtitle in each fiscal year shall be used for activities under section 242(6).".

SEC. 214. RESEARCH IN PROVIDING AFFORDABLE HOUSING THROUGH INNOVATIVE BUILDING TECHNIQUES AND TECHNOLOGY.

The second sentence of section 244 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12784) is amended by inserting before the period at the end the following: "and particularly through the use of cost-saving innovative building technology and construction techniques".

SEC. 215. USE OF INNOVATIVE BUILDING TECHNOLOGIES TO PROVIDE COST-SAVING HOUSING OPPORTUNITIES.

Subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12801 et seq.) is amended by adding at the end the following new section:

"SEC. 260. COST-SAVING BUILDING TECHNOLOGIES AND CONSTRUCTION TECHNIQUES.

"(a) IN GENERAL.—The Secretary shall make available a model program to utilize cost-saving building technologies and construction techniques for purposes of providing homeownership and rental opportunities under this title, and take reasonable steps to ensure that any units provided under the model program under this section will remain occupied by persons or families eligible for assistance under this title.

"(b) SELECTION CRITERIA.—The Secretary shall establish criteria for participating jurisdictions to select projects for assistance under the model program which may include—

"(1) the extent to which innovative, cost-saving building and construction technologies are utilized;

"(2) the extent to which innovative, cost-saving construction techniques are utilized;

"(3) the extent to which units will be made available to low-income families and individuals;

"(4) the extent to which non-Federal public or private assistance is utilized; and

"(5) any other factor, determined by the Secretary to be appropriate.

"(c) GUIDELINES.—The Secretary shall publish guidelines for the model program under this section not later than 180 days after the date of the enactment of the Housing and Community Development Act of 1992.

"(d) REPORT.—The Secretary shall submit a biennial report to the Congress on the results of the model program under this section.".

SEC. 216. DEFINITION OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATION.

Section 104(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(6)) is amended—

(1) by striking subparagraph (A);

(2) in subparagraph (B), by striking "and otherwise" and inserting "or otherwise";

(3) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively; and

(4) by adding at the end the following new flush material:

"The Secretary may not limit the criteria for determining if an organization meets the definition of a community housing development organization for purposes of this Act, to a single criterion based on the number or percentage of low-income persons residing in the community that serve as members on the organization's governing board. In the case of an organization serving more than one county, the Secretary may not require that such an organization, to be considered a community housing development organization for purposes of this Act, include as members on the organization's governing board low-income persons residing in each county served.".

SEC. 217. INCLUSION OF ECHO HOUSING IN DEFINITION OF HOUSING.

Section 104(8) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(8) is amended by inserting before the period at the end the following: "and elder cottage housing opportunity units that are small, free-standing, barrier-free, energy-efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings".

SEC. 218. ELIGIBILITY OF MANUFACTURED HOME OWNERS AS FIRST-TIME HOME-BUYERS.

Section 104(14) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(14)) is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(C) an individual shall not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual owns or owned, as a principal residence during such 3-year period, a dwelling unit whose structure is—

"(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations, or

"(ii) not in compliance with State, local, or model building codes, or other applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.".

SEC. 219. ELIGIBILITY FOR ASSISTANCE AND CONTENTS OF STRATEGIES.

(a) HOMELESSNESS INFORMATION.—Section 105(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(2)) is amended by inserting "including tabular representation of such information," after "with homelessness,".

(b) ANTIDISPLACEMENT PLAN AND ANTIPOVERTY STRATEGY.—Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by striking paragraph (14) and inserting the following new paragraph:

"(14) include a certification that the jurisdiction has in effect and is following a residential antidisplacement and relocation assistance plan that, in any case of any such displacement in connection with any activity assisted with amounts provided under title II, requires the same actions and provides the same rights as required and provided under a residential antidisplacement and relocation assistance plan under section 104(d) of the Housing and Community Development Act of 1974 in the event of displacement in connection with a development project assisted under section 106 or 119 of such Act;".

(2) in paragraph (15), by striking the period at the end and inserting a semicolon; and

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

"(16) for any housing strategy submitted for fiscal year 1994 or any fiscal year thereafter and taking into consideration factors over which the jurisdiction has control, describe the jurisdiction's goals, programs, and policies for reducing the number of households with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually), and, in consultation with other appropriate public and private agencies, state how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing set forth in the housing strategy will be coordinated with other programs and services for which the jurisdiction is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and".

SEC. 220. REGULATIONS.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of this title and the amendments made by this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, except as expressly provided otherwise in this title and the amendments made by this title. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

TITLE III—PRESERVATION OF LOW-INCOME HOUSING

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 234 of the Housing and Community Development Act of 1987 (12 U.S.C. 4124) is amended to read as follows:

"SEC. 234. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There is authorized to be appropriated for assistance and incentives authorized under this subtitle $892,320,000 for fiscal year 1993.

"(b) GRANTS.—Of the amounts made available under subsection (a), not more than $100,000,000 shall be available for fiscal year 1993 for grants under section 221(d)(2), subject to approval in appropriation Acts.".

SEC. 302. REVISION OF SHORT TITLE.

(a) IN GENERAL.—Section 201 of the Housing and Community Development Act of 1987 (12

U.S.C. 4101 note) is amended by striking "and Resident Homeownership".

(b) CONFORMING AMENDMENTS.—

(1) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 604(a) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4101 note) is amended by striking "and Resident Homeownership".

(2) HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978.—Section 201(m) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(m)) is amended by striking "the Emergency Low Income Housing Preservation Act of 1987" each place it appears and inserting "title II of the Housing and Community Development Act of 1987".

(3) NATIONAL HOUSING ACT.—

(A) Section 229 of the National Housing Act (12 U.S.C. 1715t) is amended by striking "the Emergency Low Income Housing Preservation Act of 1987" and inserting "title II of the Housing and Community Development Act of 1987".

(B) Section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)) is amended—

(i) by striking "the Low-Income Housing Preservation and Resident Homeownership Act of 1990" each place it appears and inserting "the Housing and Community Development Act of 1987"; and

(ii) by striking "Cranston-Gonzalez National Affordable Housing Act" each place it appears and inserting "Housing and Community Development Act of 1987".

(C) Section 250(b) of the National Housing Act (12 U.S.C. 1715z-15(B)) is amended by striking "Low-Income Housing Preservation and Resident Homeownership Act of 1990" and inserting "Housing and Community Development Act of 1987".

SEC. 303. RESIDUAL RECEIPTS AND RESERVE FOR REPLACEMENT ACCOUNTS.

(a) PRESERVATION VALUE.—Section 213(b)(2) of the Housing and Community Development Act of 1987 (12 U.S.C. 4103(b)(2)) is amended by inserting before the period at the end the following: "plus the amount in the reserve for replacement account at the time of the transfer of the property".

(b) INCENTIVE FOR TRANSFER TO QUALIFIED PURCHASERS.—Section 220(d)(3)(A) of the Housing and Community Development Act of 1987 (12 U.S.C. 4110(d)(3)(A)) is amended—

(1) by striking "any residual receipts" and all that follows through "(b) or (c) and"; and

(2) by inserting after the period at the end the following new sentence: "The owner may retain amounts that are in the residual receipts account upon transfer of the project without deduction from the sales price.".

(c) INCENTIVES TO EXTEND LOW-INCOME USE.—Section 219(b)(1) of the Housing and Community Development Act of 1987 (12 U.S.C. 4109(b)(1)) is amended by inserting before the period at the end the following: ", except that the Secretary may not reduce the authorized annual return determined under section 214(a) as a result of the release of such funds".

SEC. 304. SUBMISSION OF INFORMATION TO TENANTS.

(a) LOW-INCOME HOUSING PRESERVATION ACT OF 1990.—Section 217(a)(2) of the Housing and Community Development Act of 1987 (12 U.S.C. 4107(a)(2)) is amended by inserting after the first sentence the following new sentence: "The owner shall simultaneously submit to the tenants supporting information sufficient to prepare a plan and bid for purchasing the housing, which shall include copies of the appraisals conducted of the housing pursuant to section 213 and any information provided to the owner by the Secretary pursuant to section 216.".

(b) EMERGENCY LOW INCOME HOUSING PRESERVATION ACT OF 1987.—For purposes of section 604 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 4101 note), the provisions of section 223(a) of the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715l note), as in effect immediately before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act, shall be considered to be amended by inserting after the second sentence the following new sentence: "The owner shall simultaneously submit a copy of the plan of action to the tenants of the housing, together with supporting information sufficient to prepare a plan and bid for purchasing the housing, which shall include a copy of any appraisals conducted of the housing and any information provided to the owner by the Secretary pursuant to this subsection.".

SEC. 305. APPROVAL OF PLAN OF ACTION.

Section 218 of the Housing and Community Development Act of 1987 (12 U.S.C. 4108) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) STANDARDS AND PROCEDURE FOR WRITTEN FINDINGS.—

"(1) STANDARDS.—A written finding under subsection (a) shall be based on an analysis of the evidence considered by the Secretary in reaching such finding and shall contain documentation of such evidence.

"(2) PROCEDURE AND CRITERIA.—The Secretary shall, by regulation, develop (A) a procedure for determining whether the conditions under paragraphs (1) and (2) of subsection (a) exist, (B) requirements for evidence on which such determinations are based, and (C) criteria on which such determinations are based.".

SEC. 306. RECEIPT OF INCENTIVES TO EXTEND LOW-INCOME USE.

The first sentence of section 219(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4109(a)) is amended by inserting after "receive" the following: "(for each year after the approval of the plan of action)".

SEC. 307. ELIMINATION OF WINDFALL PROFITS TEST.

Section 222 of the Housing and Community Development Act of 1987 (12 U.S.C. 4112) is amended by striking subsection (e).

SEC. 308. UNIT RENT CRITERIA FOR APPROVAL OF PLAN OF ACTION.

Section 222(a)(2)(F) of the Housing and Community Development Act of 1987 (12 U.S.C. 4112(a)(2)(F)) is amended by striking "January 1, 1987" and all that follows through "highest proportion of very low-income families" and inserting the following: "the date occurring 1 year before the date on which the notice of intent for the housing was filed pursuant to section 212, or the date the plan of action is approved, whichever date results in the higher proportion of low-income families".

SEC. 309. RESIDENT HOMEOWNERSHIP PROGRAM.

Section 226(b) of the Housing and Community Development Act of 1987 (12 U.S.C. 4116(b)) is amended—

(1) in paragraph (2)—

(A) by inserting "AND LIMITATION ON CONDITIONS OF APPROVAL" before the period at the end of the paragraph heading; and

(B) by inserting after the period at the end the following new sentence: "The Secretary may not require the prepayment of the mortgage on eligible low-income housing for the approval of a plan of action involving a homeownership program for the housing.";

(2) in paragraph (3)—

(A) in subparagraph (C), by striking "and" at the end;

(B) in subparagraph (D), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) the low-income affordability restrictions shall continue to apply to any rental units in the housing for any period during which such units remain rental units.";

(3) in paragraph (8), by striking "Resident" and inserting "Except in the case of limited equity cooperatives, resident"; and

(4) in paragraph (10)—

(A) by striking ", as determined by the Secretary,";

(B) by striking "section 222(d)" and inserting "section 222(c)"; and

(C) by striking the last sentence.

SEC. 310. INCENTIVES UNDER EMERGENCY LOW INCOME HOUSING PRESERVATION ACT.

Section 604(c) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4101 note) is amended by inserting after the period at the end the following new sentence: "In making incentives under section 224 of such Act available with respect to housing for which such election is made, the Secretary may not refuse to offer incentives referred to in such section based solely on the date of filing of the plan of action for the housing.".

SEC. 311. DELEGATED RESPONSIBILITY TO STATE AGENCIES.

The Secretary of Housing and Urban Development shall issue interim regulations implementing section 227 of the Housing and Community Development Act of 1987 (as amended by section 601(a) of the Cranston-Gonzalez National Affordable Housing Act) not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, which shall take effect upon issuance. The Secretary shall issue final regulations implementing such section 227 after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

SEC. 312. INSURANCE FOR SECOND MORTGAGE FINANCING.

(a) TERMS.—Section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)) is amended—

(1) in paragraph (5)(A) by striking "have a maturity and provisions for amortization satisfactory to the Secretary," and inserting "have a term of not less than 40 years,"; and

(2) in paragraph (6), by striking "may" and inserting "shall".

(b) TRANSITION.—Notwithstanding section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)), the provisions of such section as in effect immediately before the enactment of the Cranston-Gonzalez National Affordable Housing Act shall apply with respect to any eligible low-income housing for which the owner elects under section 604(a)(1) of the Cranston-Gonzalez National Affordable Housing Act to be subject to the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act).

(c) IMPLEMENTATION.—Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, the Secretary shall issue regulations implementing section 241(f) of the National Housing Act. The regulations shall not be subject to the requirements of subsections (b) and (c) of section 553 of title 5, United States Code.

SEC. 313. SUPPLEMENTAL LOANS.

Section 241(b)(1) of the National Housing Act (12 U.S.C. 1715z-6(b)(1)) is amended—

(1) by inserting "(A)" after "(1)";

(2) by inserting "or" after the semicolon at the end; and

(3) by adding at the end the following new subparagraph:

"(B) be available in an amount of up to 100 percent of the replacement cost if the loan is made in conjunction with an approved plan of action under the Low-Income Housing Preservation Act of 1990;".

SEC. 314. TECHNICAL AMENDMENTS.

(a) LOW-INCOME HOUSING PRESERVATION ACT OF 1990.—The Housing and Community Development Act of 1987 (12 U.S.C. 4101 et seq.) is amended—

(1) in section 215(a)(2), by inserting "Housing" after "United States";

(2) in section 216(b)(4), by striking "exceeds" and inserting "exceed";

(3) in the second sentence of section 221(c), by striking "that" and inserting "than";

(4) in section 222—

(A) in subsection (a)(2)(A), by striking "low income" and inserting "low-income";

(B) in subsection (c)(2), by striking "an hearing" and inserting "a hearing";

(C) in subsection (d)(2)(B), by inserting "the" after "that"; and

(D) in subsection (d)(2)(C)(ii), by inserting "in" before "default";

(5) in section 229(11)(A), by striking "resident" and inserting "residents"; and

(6) in section 231(b), by striking "section 222(d)" and inserting "section 222(c)".

(b) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 613(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4125(b)(2)) is amended by striking "section 224(e)" and inserting "section 222(d)".

(c) NATIONAL HOUSING ACT.—Section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)) is amended—

(1) in paragraph (2)(B)(ii), by striking "and" at the end; and

(2) in paragraph (7), by striking "acquisiton loan" and inserting "acquisition loan".

SEC. 315. REGULATIONS.

Except as otherwise provided in this title, the Secretary of Housing and Urban Development shall issue interim regulations implementing the amendments made by this title not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, which shall take effect upon issuance. The Secretary shall issue final regulations implementing the amendments made by this title after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

SEC. 316. STUDY OF PROJECTS ASSISTED UNDER FLEXIBLE SUBSIDY PROGRAM.

(a) STUDY.—The Secretary shall conduct a study of housing projects that (1) are assisted under section 236 of the National Housing Act or the proviso of section 221(d)(5) of such Act, and (2) have received or are receiving assistance under section 201 of the Housing and Community Development Amendments of 1978, to determine the cost of providing such projects with incentives under the Low-Income Housing Preservation Act of 1990. The study shall examine any projects portions of which assisted under such section 236 that are assisted primarily by State agencies.

(b) REPORT.—The Secretary shall submit a report to the Congress regarding any findings and conclusions of the study under subsection (a) not later than the expiration of the 1-year period beginning on the date of the enactment of this A t.

TITLE IV—MULTIFAMILY HOUSING PLANNING AND INVESTMENT STRATEGIES

SEC. 401. REQUIRED SUBMISSION.

(a) IN GENERAL.—The owner of each covered multifamily housing property, and the owner of each covered multifamily housing property for the elderly, shall submit to the Secretary of Housing and Urban Developmen. a comprehensive needs assessment of the property under this title.

(b) TIMING.—The Secretary shall require the owners of approximately one-third of the aggregate number of covered multifamily housing properties, and the owners of approximately one-third of the aggregate number of covered multifamily housing properties for the elderly, to submit the comprehensive needs assessments under this section for the properties in each of fiscal years 1993, 1994, and 1995, in a manner designed to ensure that upon the conclusion of fiscal year 1995 the assessments for all such properties have been submitted.

SEC. 402. CONTENTS.

(a) IN GENERAL.—Each comprehensive needs assessment submitted under this title for a covered multifamily housing property or a covered multifamily housing property for the elderly shall contain the following information with respect to the property:

(1) A description of any financial or other assistance currently needed for the property to ensure that the property is maintained in a livable condition and to ensure the financial viability of the project.

(2) A description of any financial or other assistance for the property that, at the time of the assessment, is reasonably foreseeable as necessary to ensure that the property is maintained in a livable condition and to ensure the financial viability of the project, during the remaining useful life of the property.

(3) A description of any resources available for meeting the current and future needs of the property described under paragraphs (1) and (2) and the likelihood of obtaining such resources.

(4) A description of any assistance needed for the property under programs administered by the Secretary.

(b) PROJECTS FOR THE ELDERLY.—Each comprehensive needs assessment for a covered multifamily housing property for the elderly shall include, in addition to the information required under subsection (a), the following information with respect to the property:

(1) A description of the supportive service needs of such residents and any supportive services provided to elderly residents of the property.

(2) A description of any modernization needs and activities for the property.

(3) A description of any personnel needs for the property.

SEC. 403. SUBMISSION AND REVIEW.

(a) FORM.—The Secretary shall establish the form and manner of submission of the comprehensive needs assessments under this title.

(b) RESIDENT REVIEW.—The Secretary shall require each owner of a covered multifamily housing property and each owner of a covered multifamily housing property for the elderly to make available to the residents of the property the comprehensive needs assessment that is to be submitted to the Secretary. The Secretary shall require each owner to provide for such residents to submit comments and opinions regarding the assessment to the owner before the submission of the assessment.

(c) STATE HOUSING FINANCE AGENCY REVIEW.—To the extent that a covered multifamily housing property or a covered multifamily housing property for the elderly is financed or assisted by a State housing finance agency (as such term is defined in section 802 of the Housing and Community Development Act of 1974), the Secretary shall require the owner of the property to submit the comprehensive needs assessment for the property to the State housing finance agency upon submitting the assessment to the Secretary.

(d) REVIEW.—The Secretary shall review each comprehensive needs assessment and shall approve the assessment before the expiration of the 90-day period beginning upon the receipt of the assessment, unless the Secretary determines that the assessment has not been provided in a substantially complete manner.

(e) COST OF PREPARATION OF STRATEGY.—The Secretary shall consider any costs relating to preparing a comprehensive needs assessment under this title for a covered multifamily housing property that do not exceed $5000 for the property as an eligible project expense for the property. The Secretary shall provide that an owner may not increase the rental charge for any unit in a covered multifamily housing property to provide for the cost of preparing a comprehensive needs assessment.

(f) NOTICE.—The Secretary shall immediately notify each owner submitting a comprehensive needs assessment (and any State housing finance agency to which the owner has submitted an assessment under subsection (d)) of the approval or disapproval of the assessment upon making such determination. Within 30 days after disapproving any assessment, the Secretary shall inform the owner in writing of the reasons for disapproval. The Secretary shall require any owner whose assessment is disapproved to resubmit an amended assessment not later than 30 days after the owner receives the notice of disapproval.

(g) ANNUAL REVIEW AND REPORT OF FUNDING AND TARGETING FOR COVERED MULTIFAMILY PROPERTIES FOR THE ELDERLY.—

(1) REVIEW.—The Secretary shall annually conduct a comprehensive review of—

(A) the funding levels required to fully address the needs of covered multifamily housing properties for the elderly identified in the comprehensive needs assessments under section 402(b), specifically identifying any expenses necessary to make substantial repairs and add features (such as congregate dining facilities and commercial kitchens) resulting from development of a property in compliance with cost-containment requirements established by the Secretary;

(B) the adequacy of the geographic targeting of resources provided under programs of the Department with respect to covered multifamily housing properties for the elderly, based on information acquired pursuant to section 402(b); and

(C) local housing markets throughout the United States, with respect to the need, availability, and cost of housing for elderly persons and families, which shall include review of any information and plans relating to housing for elderly persons and families included in comprehensive housing affordability strategies submitted by jurisdictions pursuant to section 105 of the Cranston-Gonzalez National Affordable Housing Act.

(2) REPORT.—The Secretary of Housing and Urban Development shall submit a report to the Congress annually describing the results of the annual comprehensive needs assessments under section 402 for covered multifamily housing properties for the elderly and the annual review conducted under paragraph (1) of this subsection, which shall contain a description of the methods used by project owners and by the Secretary to acquire the information described in section 402(b) and any findings and recommendations of the Secretary pursuant to the review.

SEC. 404. DEFINITIONS.

For purposes of this title:

(1) COVERED MULTIFAMILY HOUSING PROPERTY.—The term "covered multifamily housing property" means any housing—

(A) that is—

(i) reserved for occupancy by very low-income elderly persons pursuant to section 202(d)(1) of the Housing Act of 1959;

(ii) assisted under the provisions of section 202 of the Housing Act of 1959 (as such section existed before the effectiveness of the amendment made by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act);

(iii) financed by a loan or mortgage insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act; or

(iv) financed by a loan or mortgage insured or held by the Secretary pursuant to section 221(d)(3) of the National Housing Act; and

(B) that is not eligible for assistance under—

(i) the Low-Income Housing Preservation and Resident Homeownership Act of 1990;

(ii) the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect immediately before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act); or

(iii) the HOME Investment Partnerships Act.

(2) COVERED MULTIFAMILY HOUSING PROPERTY FOR THE ELDERLY.—The term "covered multifamily housing property for the elderly" means any multifamily housing project that was designed or designated to serve, or is serving, elderly persons or families and is assisted under a program administered by the Secretary.

(3) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 405. REGULATIONS.

The Secretary shall issue final regulations to carry out this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

TITLE V—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET

Subtitle A—FHA Mortgage Insurance Programs

SEC. 501. LIMITATION ON INSURANCE AUTHORITY.

Section 531(b) of the National Housing Act (12 U.S.C. 1735f-9(b)) is amended to read as follows:

"(b)(1) Notwithstanding any other provision of law and subject only to the absence of qualified requests for insurance, to the authority provided in this Act, and to the limitation in subsection (a), the Secretary shall enter into commitments to insure mortgages under this Act with an aggregate principal amount of $66,184,980,000 during fiscal year 1993.

"(2) There is authorized to be appropriated $631,800,000 to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of mortgage insurance obligations entered into under this Act.".

SEC. 502. FEDERAL HOUSING ADMINISTRATION ADVISORY BOARD.

Section 202(b) of the National Housing Act (12 U.S.C. 1708(b)) is amended by adding at the end the following new paragraph:

"(11) The Board shall terminate on January 1, 1995.".

SEC. 503. MAXIMUM MORTGAGE AMOUNT.

(a) IN GENERAL.—The first sentence of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended to read as follows: "Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in an amount—

"(A) not to exceed the lesser of—

"(i) in the case of a 1-family residence, 95 percent of the median 1-family house price in the area (as determined by the Secretary); in the case of a 2-family residence, 107 percent of such median price; in the case of a 3-family residence, 130 percent of such median price; or in the case of a 4-family residence, 150 percent of such median price; or

"(ii) 75 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (as adjusted annually under such section) for a residence of the applicable size;

except that the applicable dollar amount limitation in effect for any area under this subparagraph (A) may not be less than the dollar amount limitation in effect under this section for the area on May 12, 1992; and

"(B) except as otherwise provided in this paragraph (2), not to exceed an amount equal to the sum of—

"(i) 97 percent of $25,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance;

"(ii) 95 percent of such value in excess of $25,000 but not in excess of $125,000; and

"(iii) 90 percent of such value in excess of $125,000.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only to mortgages executed on or after January 1, 1993.

(c) CONFORMING AMENDMENTS.—

(1) PROPERTY IMPROVEMENT AND MANUFACTURED HOME LOAN INSURANCE.—The second sentence of section 2(b)(2) of the National Housing Act (12 U.S.C. 1703(b)(2)) is amended by striking "but not" and all that follows through "203(b)(2)" and inserting "but in no case may such limits, as so increased, exceed the lesser of (A) 185 percent of the dollar amount specified, or (B) the dollar amount specified as increased by the same percentage by which 95 percent of the median one-family house price in the area (as determined by the Secretary) exceeds $67,500".

(2) HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS.—Section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)) is amended by striking "for a 1-family residence" and inserting "for 1-family residences in the area in which the dwelling subject to the mortgage under this section is located".

(3) RTC AFFORDABLE HOUSING PROGRAM.—Subparagraphs (D)(ii) and (G)(II) of section 21A(c)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(9)) are each amended by striking "the applicable dollar amount" and all that follows through "areas" and inserting the following: "$67,500 in the case of a 1-family residence, $76,000 in the case of a 2-family residence, $92,000 in the case of a 3-family residence, and $107,000 in the case of a 4-family residence".

(4) FDIC AFFORDABLE HOUSING PROGRAM.—Paragraphs (4)(B) and (7)(B) of section 40(p) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(p)) are each amended by striking "the applicable dollar amount" and all that follows through "areas)" and inserting the following: "$67,500 in the case of a 1-family residence, $76,000 in the case of a 2-family residence, $92,000 in the case of a 3-family residence, and $107,000 in the case of a 4-family residence".

SEC. 504. MAXIMUM PRINCIPAL OBLIGATION OF MORTGAGES FOR VETERANS.

(a) IN GENERAL.—The first sentence of the last undesignated paragraph of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by striking "Notwithstanding any other provision of this paragraph," and inserting "Except with respect to only mortgages executed by mortgagors who are veterans,".

(b) TECHNICAL AMENDMENT.—Section 203(b)(9) of the National Housing Act (12 U.S.C. 1709(b)(9)) is amended by striking "(except in a case to which the next to the last sentence of paragraph (2) applies)" and inserting "(except with respect to mortgages executed by a mortgagor who is a veteran)".

SEC. 505. PROHIBITION ON LIMITATION OF CLOSING COSTS FINANCED.

Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by inserting after the period at the end the following new sentence: "Notwithstanding the authority of the Secretary to establish the terms of insurance under this section and approve initial service charges, appraisal, inspection and other fees (and subject to any other limitations under this section on the amount of a principal obligation), the Secretary may not (by regulation or otherwise) limit the percentage or amount of any such approved charges and fees that may be included in the principal obligation of a mortgage.".

SEC. 506. PREPURCHASE COUNSELING REQUIREMENT.

(a) IN GENERAL.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by inserting after the sentence added by section 505 of this Act the following new undesignated paragraph:

"Notwithstanding any other provision of this paragraph, the Secretary may not insure, or enter into a commitment to insure, a mortgage under this section that involves a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in excess of 97 percent of the appraised value of the property unless the mortgagor has completed a program of counseling with respect to the responsibilities and financial management involved in homeownership that is approved by the Secretary; except that the Secretary may, in the discretion of the Secretary, waive the applicability of this requirement.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to mortgages for which commitments for insurance are issued after the expiration of the 12-month period beginning on the date of the enactment of this Act.

SEC. 507. AUTHORITY TO DECREASE INSURANCE PREMIUM CHARGES.

(a) PERMANENT PROVISIONS.—Section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)) is amended—

(1) in subparagraph (A), by striking "equal to" and inserting "not exceeding"; and

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking "equal to" and inserting "not exceeding"; and

(B) in clause (ii), by striking "equal to 0.55 percent" and inserting "not exceeding 0.55 percent".

(b) TRANSITION PROVISIONS.—Section 2103(b) of the Omnibus Budget Reconciliation Act of 1990 (12 U.S.C. 1709 note) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "equal to" and inserting "not exceeding"; and

(B) in subparagraph (B), in the matter preceding clause (i), by striking "equal to" and inserting "not exceeding"; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "equal to" and inserting "not exceeding"; and

(B) in subparagraph (B), in the matter preceding clause (i), by striking "equal to" and inserting "not exceeding".

SEC. 508. STATUTE OF LIMITATIONS FOR DISTRIBUTIVE SHARES.

(a) 10-YEAR LIMIT.—

(1) IN GENERAL.—Section 205(c) of the National Housing Act (12 U.S.C. 1711(c)) is amended by inserting after the period at the end the following new sentence: "The Secretary may not make any distribution under this subsection to any mortgagor who has not applied for such distribution (in the manner required by the Secretary) before the expiration of the 10-year period beginning upon the date the Secretary first transmitted written notification of the mortgagor's eligibility for a distribution to the last known address of the mortgagor.".

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply only to mortgages the insurance obligation for which is terminated after the date of the enactment of this Act.

(b) TRANSFER OF AMOUNTS.—Section 205(e) of the National Housing Act (12 U.S.C. 1711(e)) is amended by adding at the end the following new sentence: "Any amounts in the Participating Reserve Account that are designated for distribution to a mortgagor pursuant to subsection (c) but may not be distributed because of the last sentence of subsection (c) shall be transferred to the General Surplus Account upon the expiration of the period referred to in such sentence.".

SEC. 509. MORTGAGE LIMITS FOR MULTIFAMILY PROJECTS.

(a) SECTION 207 LIMITS.—Section 207(c)(3) of the National Housing Act (12 U.S.C. 1713(c)(3)) is amended—

(1) by striking "$25,350", "$28,080", "$33,540", "$41,340", and "$46,800" and inserting "$30,420", "$33,696", "$40,248", "$49,608", and "$59,160", respectively;

(2) by striking "$29,250", "$32,760", "$40,170", "$50,310", and "$56,885" and inserting "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262", respectively; and

(3) by inserting after "sound standards of construction and design;" the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;".

(b) SECTION 213 LIMITS.—Section 213(b)(2) of the National Housing Act (12 U.S.C. 1715e(b)(2)) is amended—

(1) by striking "$25,350", "$28,080", "$33,540", "$41,340", and "$46,800" and inserting "$30,420", "$33,696", "$40,248", "$49,608", and "$59,160", respectively;

(2) by striking "$29,250", "$32,760", "$40,170", "$50,310", and "$56,885" and inserting "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262", respectively; and

(3) by inserting after "sound standards of construction and design:" the following: "Provided further, That the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary:".

(c) SECTION 220 LIMITS.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended—

(1) by striking "$25,350", "$28,080", "$33,540", "$41,340", and "$46,800" and inserting "$30,420", "$33,696", "$40,248", "$49,608", and "$59,160", respectively;

(2) by striking "$29,250", "$32,760", "$40,170", "$50,310", and "$56,885" and inserting "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262", respectively; and

(3) by inserting after "sound standards of construction and design;" the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;".

(d) SECTION 221(d)(3) LIMITS.—Section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(3)(ii)) is amended—

(1) by striking "$28,032", "$32,321", "$38,979", "$49,893", "$55,583", "$29,500", "$33,816", "$41,120", "$53,195", and "$58,392" and inserting "$33,638", "$38,785", "$46,775", "$59,872", "$66,700", "$35,400", "$40,579", "$49,344", "$63,834", and "$70,070", respectively; and

(2) by inserting after "sound standards of construction and design;" the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;".

(e) SECTION 221(d)(4) LIMITS.—Section 221(d)(4)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(4)(ii)) is amended—

(1) by striking "$25,228", "$28,636", "$34,613", "$43,446", "$49,231", "$27,251", "$31,239", "$37,986", "$49,140", and "$53,942" and inserting "$30,274", "$34,363", "$41,536", "$52,135", "$59,077", "$32,701", "$37,487", "$45,583", "$58,968", and "$64,730", respectively; and

(2) by inserting after "sound standards of construction and design;" the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;".

(f) SECTION 231 LIMITS.—Section 231(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended—

(1) by striking "$23,985", "$26,813", "$32,019", "$38,532", and "$45,300" and inserting "$28,782", "$32,176", "$38,423", "$46,238", and "$54,360", respectively;

(2) by striking "$27,251", "$31,239", "$37,986", "$49,140", and "$53,942" and inserting "$32,701", "$37,487", "$45,583", "$58,968", and "$64,730", respectively; and

(3) by inserting after "sound standards of construction and design;" the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;".

(g) SECTION 234 LIMITS.—Section 234(e)(3) of the National Housing Act (12 U.S.C. 1715y(e)(3)) is amended—

(1) by striking "$25,350", "$28,080", "$33,540", "$41,340", and "$46,800" and inserting "$30,420", "$33,696", "$40,248", "$49,608", and "$59,160", respectively;

(2) by striking "$29,250", "$32,760", "$40,170", "$50,310", and "$56,885" and inserting "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262", respectively; and

(3) by inserting after "sound standards of construction and design;" the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;".

(h) REGULATIONS.—The Secretary of Housing and Urban Development shall issue regulations necessary to carry out the amendments made by subsections (a) through (g), which shall take effect not later than the expiration of the 1-year period beginning on the date of the enactment of this Act.

(i) CONFORMING AMENDMENTS.—

(1) RTC AFFORDABLE HOUSING PROGRAM.—Clauses (i)(II) and (ii)(II) of section 21A(c)(9)(E) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(9)(E)) are each amended by striking "the applicable dollar amount" and all that follows through "areas)" and inserting the following: ", for such part of the property as may be attributable to dwelling use (excluding exterior land improvements), $29,500 per family unit without a bedroom, $33,816 per family unit with 1 bedroom, $41,120 per family unit with 2 bedrooms, $53,195 per family unit with 3 bedrooms, and $58,392 per family unit with 4 or more bedrooms".

(2) FDIC AFFORDABLE HOUSING PROGRAM.—Section 40(p)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(p)(5)) is amended by striking "the applicable dollar amount" and all that follows through "areas)" and inserting the following: ", for such part of the property as may be attributable to dwelling use (excluding exterior land improvements), $29,500 per family unit without a bedroom, $33,816 per family unit with 1 bedroom, $41,120 per family unit with 2 bedrooms, $53,195 per family unit with 3 bedrooms, and $58,392 per family unit with 4 or more bedrooms".

SEC. 510. INSURANCE OF LOANS FOR OPERATING LOSSES OF MULTIFAMILY PROJECTS.

Section 223(d) of the National Housing Act (12 U.S.C. 1715n(d)) is amended by adding at the end the following new paragraph:

"(6) In determining the amount of an operating loss loan to be insured pursuant to this subsection, the Secretary shall not reduce such amount solely to reflect any amounts placed in escrow (at the time the existing project mortgage was insured) for initial operating deficits.".

SEC. 511. ELIGIBILITY OF ASSISTED LIVING FACILITIES FOR MORTGAGE INSURANCE UNDER SECTION 232.

(a) PURPOSE.—Section 232(a) of the National Housing Act (12 U.S.C. 1715w(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "either" and inserting "any"; and

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

"(3) The development of assisted living facilities for the care of frail elderly persons.".

(b) DEFINITIONS.—Section 232(b) of the National Housing Act (12 U.S.C. 1715w(b)) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) the term 'assisted living facility' means a public facility, proprietary facility, or facility of a private nonprofit corporation that—

"(A) is licensed and regulated by the State (or if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located);

"(B) makes available to residents supportive services to assist the residents in carrying out activities of daily living, such as bathing, dressing, eating, getting in and out of bed or chairs, walking, going outdoors, using the toilet, laundry, home management, preparing meals, shopping for personal items, obtaining and taking medication, managing money, using the telephone, or performing light or heavy housework, and which may make available to residents home health care services, such as nursing and therapy; and

"(C) provides separate dwelling units for residents, each of which contains a full kitchen and bathroom, and which includes common rooms and other facilities appropriate for the provision of supportive services to the residents of the facility; and

"(7) the term 'frail elderly person' has the meaning given the term in section 802(k) of the

Cranston-Gonzalez National Affordable Housing Act.".

(c) MORTGAGE REQUIREMENTS.—Section 232(d) of the National Housing Act (12 U.S.C. 1715w(d)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by inserting ", assisted living facility," before "or intermediate care facility"; and

(B) by striking "combined nursing home and intermediate care facility" and inserting "any combination of nursing home, assisted living facility, and intermediate care facility";

(2) in paragraph (2), in the matter preceding subparagraph (A), by inserting "or 100 percent of the estimated value of the property or project in the case of a mortgagor that is a private nonprofit corporation or association (under the meaning given such term for purposes of section 221(d)(3) of this Act)," before "including"; and

(3) in paragraph (4), by adding at the end the following new subparagraph:

"(C) With respect to assisted living facilities or any such facility combined with any other home or facility, the Secretary shall not insure any mortgage under this section unless—

"(i) the Secretary determines that the level of financing acquired by the mortgagor and any other resources available for the facility will be sufficient to ensure that the facility contains dwelling units and facilities for the provision of supportive services in accordance with subsection (b)(6);

"(ii) the mortgagor provides assurances satisfactory to the Secretary that each dwelling unit in the facility will not be occupied by more than 1 person without the consent of all such occupants; and

"(iii) the appropriate State licensing agency for the State, municipality, or other political subdivision in which the facility is or is to be located provides such assurances as the Secretary considers necessary that the facility will comply with any applicable standards and requirements for such facilities.".

(d) FIRE SAFETY EQUIPMENT.—Section 232(i)(1) of the National Housing Act (12 U.S.C. 1715w(i)(1)) is amended by inserting ", assisted living facilities," after "nursing homes".

(e) ADMINISTRATION.—Section 232 of the National Housing Act (12 U.S.C. 1715w) is amended by adding at the end the following new subsection:

"(j) The Secretary shall establish schedules and deadlines for the processing and approval (or provision of notice of disapproval) of applications for mortgage insurance under this section. The Secretary shall submit a report to the Congress annually describing such schedules and deadlines and the extent of compliance by the Department with the schedules and deadlines during the year.".

(f) AUTHORITY TO INSURE REFINANCING.—Section 223(f) of the National Housing Act (12 U.S.C. 1715n(f)) is amended by inserting "existing assisted living facility," after "existing nursing home," each place it appears.

SEC. 512. AUTHORIZATION OF APPROPRIATIONS FOR MULTIFAMILY HOUSING MORTGAGE INSURANCE FIELD OFFICE STAFF.

There is authorized to be appropriated to the Secretary of Housing and Urban Development $100,000,000 for fiscal year 1992, which amounts shall be used to provide staff in regional, field, or zone offices of the Department of Housing and Urban Development to review, process, approve, and service applications for mortgage insurance under title II of the National Housing Act for housing consisting of 5 or more dwelling units.

SEC. 513. EXPEDITING INSURANCE FOR ACQUISITION OF RESOLUTION TRUST CORPORATION PROPERTY.

(a) IN GENERAL.—Section 534 of the National Housing Act (12 U.S.C. 1735f-12) is amended—

(1) by inserting "(a) STATE OFFICES.—" after "534."; and

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

"(b) EXPEDITED PROCEDURE FOR RTC PROPERTIES.—To assist the Resolution Trust Corporation in disposing of the property to which it acquires title and to ensure the timely processing of applications for insurance of loans and mortgages under this Act that will be used to purchase multifamily residential property from the Resolution Trust Corporation, the Secretary shall establish an expedited procedure for considering such applications.".

(b) IMPLEMENTATION.—The procedure referred to in the amendment made by subsection (a) shall be established through interim and final regulations issued by the Secretary. The Secretary shall issue interim regulations implementing the procedure not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, which shall be effective upon issuance. The Secretary shall issue final regulations after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

SEC. 514. ENERGY EFFICIENT MORTGAGE PILOT PROGRAM.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, within 6 months after the date of the enactment of this Act, establish an energy efficient mortgage pilot program in 5 States, which shall promote the purchase of new and existing energy efficient residential buildings and the installation of cost-effective improvements in existing residential buildings.

(b) ELIGIBILITY.—To be eligible for insurance under the pilot program established under this section a mortgage shall meet the following requirements:

(1) The base loan covered by the mortgage shall be originated by a lender in accordance with title II of the National Housing Act.

(2) The mortgagor shall have a satisfactory income and credit record and shall have an approved application for a base loan.

(3) The cost of cost-effective energy efficiency improvements to the mortgaged property may not exceed 5 percent of the value of the dwelling (not to exceed $8,000) or $4,000, whichever is greater.

(c) AUTHORITY.—The Secretary of Housing and Urban Development may insure energy efficient mortgages under the pilot program established under this section, and the Secretary shall grant mortgagees the authority to—

(1) permit the total loan amount covered by the mortgage to exceed the maximum allowable amount under title II of the National Housing Act by an amount not to exceed 100 percent of the cost of the cost-effective energy efficiency improvements, provided that the mortgagor's request to add the cost of such improvements is received by the mortgagee before funding of the base loan;

(2) hold in escrow all funds provided to the mortgagor to undertake the energy efficiency improvements until the improvements are actually installed; and

(3) transfer or sell the energy efficient mortgage to an appropriate secondary market agency after the mortgage is issued but before the energy efficiency improvements are actually installed.

(d) PROMOTION OF PILOT PROGRAM.—The Secretary of Housing and Urban Development shall encourage participation in the energy efficient mortgage pilot program under this section by—

(1) making information available to lending agencies and other appropriate authorities regarding the availability and benefits of energy efficient mortgages;

(2) requiring mortgagees and designated lending authorities to provide written notice of the availability and benefits of the pilot program to mortgagors applying for financing for residential buildings in States designated by the Secretary for participation under the pilot program; and

(3) requiring all applicants for insurance of mortgages on residential buildings under title II of the National Housing Act in States participating under the pilot program to sign a statement stating that they have been informed of the program and understand the procedures of the program and the benefits of energy efficient mortgages.

(e) TRAINING PROGRAM.—Not later than 9 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development, in consultation with the National Home Energy Rating System Council and other appropriate organizations, shall establish and implement a program for training personnel at relevant lending agencies, real estate companies, and other appropriate organizations regarding the benefits of energy efficient mortgages and the operation of the pilot program under this section.

(f) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report to the Congress describing the effectiveness and implementation of the energy efficient mortgage pilot program under this section, which shall include an assessment of the potential for expanding the pilot program nationwide.

(g) EXPANSION OF PROGRAM.—Not later than the expiration of the 2-year period beginning on the date of the implementation of the energy efficient mortgage pilot program under this section, the Secretary of Housing and Urban Development shall expand the pilot program on a nationwide basis, unless the Secretary determines that such an extension would not be practicable and submit to the Congress, before the expiration of such period, a report explaining why the program should not be expanded.

(h) DEFINITIONS.—For purposes of this section:

(1) The term "base loan" means any mortgage loan for a residential building eligible for insurance under title II of the National Housing Act or title 38, United States Code, that does not include the cost of cost-effective energy improvements.

(2) The term "cost-effective" means, with respect to energy efficiency improvements to a residential building, improvements that result in the total present value cost of the improvements (including any maintenance and repair expenses) being less than the total present value of the energy saved over the useful life of the improvement, when 100 percent of the cost of improvements is added to the base loan. For purposes of this paragraph, savings and cost-effectiveness shall be determined pursuant to a home energy rating report sufficient for purposes of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, or by other technically accurate methods.

(3) The term "energy efficient mortgage" means a mortgage on a residential building that recognizes the energy savings of a home that has cost-effective energy saving construction or improvements (including solar water heaters, solar-assisted air conditioners and ventilators, super-insulation, and insulating glass and film) and that has the effect of not disqualifying a borrower who, but for the expenditures on energy saving construction or improvements, would otherwise have qualified for a base loan.

(4) The term "residential building" means any attached or unattached single family residence.

(i) RULE OF CONSTRUCTION.—This section may not be construed to affect any other programs of

the Secretary of Housing and Urban Development for energy-efficient mortgages. The pilot program carried out under this section shall not replace or result in the termination of such other programs.

(j) REGULATIONS.—The Secretary shall issue any regulations necessary to carry out this section not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 515. TITLE I MANUFACTURED HOME LOAN INSURANCE LIMITS.

Section 2(b)(1) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended by striking subparagraphs (C), (D), and (E) and inserting the following new subparagraphs:

"(C) 70 percent of the median 1-family house price in the area, as determined by the Secretary under section 203(b)(2), if made for the purpose of financing the purchase of a manufactured home;

"(D) 80 percent of the median 1-family house price in the area, as determined by the Secretary under section 203(b)(2), if made for the purpose of financing the purchase of a manufactured home and a suitably developed lot on which to place the home;

"(E) the greater of (i) 20 percent of the median 1-family house price in the area, as determined by the Secretary under section 203(b)(2), or (ii) $13,500, if made for the purpose of financing the purchase, by an owner of a manufactured home which is the principal residence of the owner, of a suitably developed lot on which to place that manufactured home, and if the owner certifies that the owner will place the manufactured home on the lot acquired with such loan within 6 months after the date of such loan;".

SEC. 516. STUDY REGARDING HOME WARRANTY PLANS.

The Secretary of Housing and Urban Development shall conduct a study of home and builder's warranties and protection plans regarding the construction of, and materials used in, 1- to 4-family dwellings subject to mortgages insured under title II of the National Housing Act. The study shall analyze the extent to which home sellers and builders use such warranties and plans, how such warranties and plans affect the single family mortgage insurance program under the National Housing Act and the solvency of the Mutual Mortgage Insurance Fund, any effects on homeowners of reliance upon such warranties and plans, the cost of inspections of mortgaged homes not covered by such warranties or plans, and any other issues relating to such warranties and plans that the Secretary considers appropriate. The Secretary shall submit a report to the Congress regarding the findings of the study and any recommendations of the Secretary resulting from the study, not later than the expiration of the 12-month period beginning on the date of the enactment of this Act.

Subtitle B—Secondary Mortgage Market Programs

SEC. 531. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.

Section 306(g)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(2)) is amended to read as follows:

"(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to the extent of or in such amounts as any funding limitation approved in appropriation Acts, the Association shall enter into commitments to issue guarantees under this subsection in an aggregate amount of $77,700,000,000 during fiscal year 1993. There is authorized to be appropriated $6,936,000 to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees issued under this Act by the Association.".

SEC. 532. AUTHORITY FOR GNMA TO MAKE HARDSHIP INTEREST PAYMENTS.

Section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting after the period at the end of the third sentence the following new sentence: "In any case in which (I) Federal law requires the reduction of the interest rate on any mortgage backing a security guaranteed under this subsection, (II) the mortgagor under the mortgage is a person in the military service, and (III) the issuer of such security fails to receive from the mortgagor the full amount of interest payment due, the Association may make payments of interest on the security in amounts not exceeding the difference between the amount payable under the interest rate on the mortgage and the amount of interest actually paid by the mortgagor.".

TITLE VI—HOUSING FOR ELDERLY PERSONS, HANDICAPPED PERSONS, AND PERSONS WITH DISABILITIES

Subtitle A—Supportive Housing Programs

SEC. 601. SUPPORTIVE HOUSING FOR THE ELDERLY.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—

(1) CAPITAL ADVANCES.—The first sentence of section 202(l)(1) of the Housing Act of 1959 (12 U.S.C. 1701q-1(l)(1)) is amended to read as follows: "There is authorized to be appropriated for the purpose of funding capital advances in accordance with subsection (c)(1) $685,360,000 for fiscal year 1993.".

(2) PROJECT RENTAL ASSISTANCE.—Section 202(l)(2) of the Housing Act of 1959 (12 U.S.C. 1701q-1(l)(2)) is amended to read as follows:

"(2) PROJECT RENTAL ASSISTANCE.—For the purpose of funding contracts for project rental assistance in accordance with subsection (c)(2), the Secretary may, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating $765,722,496 for fiscal year 1993.".

(b) TECHNICAL CORRECTIONS.—Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) in subsection (g)(1), by striking "and persons with disabilities"; and

(2) in subsection (i)(1)(A), by striking "persons with disabilities" and inserting "elderly persons".

(c) ELDER COTTAGE HOUSING.—

(1) IMPLEMENTATION.—Section 806(b) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701q note) is amended to read as follows:

"(b) DEMONSTRATION PROGRAM.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development shall carry out a program to determine the feasibility of including, as an eligible development cost under section 202 of the Housing Act of 1959 and section 811 of the Cranston-Gonzalez National Affordable Housing Act, the cost of purchasing and installing elder cottage housing opportunity units that are small, freestanding, barrier-free, energy efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings. In conducting the demonstration, the Secretary shall determine whether the durability of such units is appropriate for making such units generally eligible for assistance under the programs under such sections.

"(2) ALLOCATION.—Notwithstanding any other law, of any amounts available for fiscal year 1993 for capital advances and project rental assistance under sections 202 of the Housing Act of 1959 and 811 of the Cranston-Gonzalez National Affordable Housing Act, the Secretary shall reserve from each such amount such sums as may be necessary to provide not less than 100 units under the demonstration under this subsection in connection with each such section. Any amounts reserved under this paragraph shall be available only for carrying out the demonstration under this subsection and, for purposes of the demonstration, the cost of purchasing and installing an elder cottage housing opportunity unit shall be considered a eligible development cost under sections 202 of the Housing Act of 1959 and 811 of the Cranston-Gonzalez National Affordable Housing Act.

"(3) REPORT.—Not later than January 1, 1994, the Secretary shall submit a report to the Congress on the results of the demonstration under this subsection, which shall be based on actual experience in implementing this subsection.

"(4) IMPLEMENTATION.—The Secretary shall issue regulations to carry out the demonstration under this subsection not later than the expiration of the 6-month period beginning on the date of the enactment of the Housing and Community Development Act of 1992.".

(d) ACCESS TO RESIDUAL RECEIPTS.—Section 202(j) of the Housing Act of 1959 (12 U.S.C. 1701q(j)) is amended by adding at the end the following new paragraph:

"(6) ACCESS TO RESIDUAL RECEIPTS.—The Secretary shall authorize the owner of a project assisted under this section to use any residual receipts held for the project in excess of $500 per unit (or in excess of such other amount prescribed by the Secretary based on the needs of the project) for activities to retrofit and renovate the project described under section 802(d)(3) of the Cranston-Gonzalez National Affordable Housing Act, to provide a service coordinator for the project as described in section 802(d)(4) of such Act, or to provide supportive services (as such term is defined in section 802(k) of such Act) to residents of the project. Any owner that uses residual receipts under this paragraph shall submit to the Secretary a report, not less than annually, describing the uses of the residual receipts. In determining the amount of project rental assistance to be provided to a project under subsection (c)(2) of this section, the Secretary may take into consideration the residual receipts held for the project only if, and to the extent that, excess residual receipts are not used under this paragraph.".

(e) CONVERSION OF CERTAIN PROJECTS TO CAPITAL ASSISTANCE.—The termination by the Secretary of Housing and Urban Development of the loan reservation under section 202 of the Housing Act of 1959 (as in effect before October 1, 1991) for the Torrington Volunteers of American Elderly Housing, Inc. (for project no. 109-EH027), is hereby deemed to be a termination of such reservation upon the conversion of the project to capital advance assistance, as of January 2, 1992, pursuant to the authority under the fourth undesignated paragraph of the item relating to "HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING (INCLUDING RESCISSION OF FUNDS)" of title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (Public Law 102-139; 105 Stat. 747). The Secretary of Housing and Urban Development shall take any action with respect to the terminated loan reservation, the related reservation of assistance under section 8 of the United States Housing Act of 1937, and any other documentation relating to the project, to provide for the conversion of the project to capital advance assistance and project rental assistance.

SEC. 602. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.

(a) CAPITAL ADVANCES.—The first sentence of section 811(l)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(l)(1)) is amended to read as follows: "There is authorized to be appropriated for the purpose of funding capital advances in accordance with subsection (d)(1) $281,840,000 for fiscal year 1993.".

(b) PROJECT RENTAL ASSISTANCE.—Section 811(l)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(l)(2)) is amended to read as follows:

"(2) PROJECT RENTAL ASSISTANCE.—For the purpose of funding contracts for project rental assistance in accordance with subsection (d)(2), the Secretary may, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating $325,122,688 for fiscal year 1993.".

SEC. 603. REVISED CONGREGATE HOUSING SERVICES PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 802(n)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(n)(1)) is amended by striking the matter preceding subparagraph (A) and inserting the following:

"(1) AUTHORIZATION AND USE.—There is authorized to be appropriated to carry out this section $27,144,000 for fiscal year 1993, of which not more than—".

(b) REGULATIONS.—

(1) INTERIM REGULATIONS.—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Congress a copy of proposed interim regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act with respect to eligible federally assisted housing (as such term is defined in section 802(k) of such Act) administered by each such Secretary. Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, each such Secretary shall publish interim regulations implementing such section 802, which shall take effect upon publication.

(2) FINAL REGULATIONS.—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), each such Secretary shall issue final regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

(3) FAILURE UNDER 1990 ACT.—This subsection may not be construed to authorize any failure to comply with the requirements of section 802(m) of the Cranston-Gonzalez National Affordable Housing Act.

SEC. 604. HOPE FOR INDEPENDENCE OF ELDERLY PERSONS AND PERSONS WITH DISABILITIES.

(a) SECTION 8 ASSISTANCE.—Section 803(j) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012(j)) is amended to read as follows:

"(j) SECTION 8 FUNDING.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8 of such Act is authorized to be increased by $36,920,000 on or after October 1, 1992. The amounts made available under this subsection shall be used only in connection with the demonstrations under this section.".

(b) SUPPORTIVE SERVICES AUTHORIZATION.—Section 803(k) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012(k)) is amended to read as follows:

"(k) FUNDING FOR SERVICES.—There is authorized to be appropriated for the Secretary to carry out the responsibilities for supportive services under the demonstrations under this section $10,816,000, to become available in fiscal year 1993. Any such amounts appropriated under this subsection shall remain available until expended.".

(c) DEMONSTRATION PERIOD.—Section 803 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012) is amended—

(1) in subsection (a), by striking "beginning on the date of the enactment of this Act" and inserting "determined by the Secretary"; and

(2) in subsection (g)(1), by striking "period" and all that follows and inserting "5-year period referred to in subsection (a).".

(d) ELIGIBILITY OF PERSONS WITH DISABILITIES.—Section 803 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012) is amended—

(1) by striking the section designation and heading and inserting the following:

"SEC. 803. HOPE FOR INDEPENDENCE OF ELDERLY PERSONS AND PERSONS WITH DISABILITIES.";

(2) in subsection (a), by inserting "and persons with disabilities" after "frail elderly persons";

(3) in subsection (b)—

(A) in the second sentence, by inserting "or a person with disabilities" after "frail elderly person"; and

(B) in the third sentence, by inserting "and person with disabilities" after "frail elderly person";

(4) in subsection (c)—

(A) in paragraph (1)(C)—

(i) by inserting "and person with disabilities" after "frail elderly person" the first place it appears; and

(ii) by striking "a frail elderly person" and inserting "such persons"; and

(B) in paragraph (1)(D), by inserting "and persons with disabilities" after "frail elderly persons"; and

(C) in paragraph (2), by inserting "and persons with disabilities" after "frail elderly persons" each place it appears;

(5) in subsection (d)—

(A) in paragraph (2), by striking "population of frail elderly persons" and inserting "populations of frail elderly persons and persons with disabilities";

(B) in paragraph (3)—

(i) by inserting "or a person with disabilities" after "frail elderly person" the first place it appears; and

(ii) by striking "selecting frail elderly" and inserting "selecting such";

(C) in paragraph (4), by inserting "and person with disabilities" after "frail elderly person"; and

(D) in paragraphs (7) and (11), by inserting "and persons with disabilities" after "frail elderly persons" each place it appears;

(6) in subsection (e)(1), by inserting "and persons with disabilities" after "frail elderly persons" each place it appears;

(7) in subsection (f), by inserting "and person with disabilities" after "frail elderly person" each place it appears; and

(8) in subsection (g)—

(A) in paragraph (4), by inserting "and persons with disabilities" after "frail elderly";

(B) in paragraph (7)(A)(i), by inserting "and persons with disabilities" after "frail elderly persons"; and

(C) by redesignating paragraphs (2) through (7) (as so amended) as paragraphs (3) through (8), respectively; and

(D) by inserting after paragraph (1) the following new paragraph:

"(2) The term 'person with disabilities' has the meaning given the term in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.".

(e) REGULATIONS.—

(1) INTERIM REGULATIONS.—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a copy of proposed interim regulations implementing the amendments made by this section. Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, the Secretary shall publish interim regulations implementing such amendments, which shall take effect upon publication.

(2) FINAL REGULATIONS.—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), the Secretary shall issue final regulations implementing the amendments made by this section after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

(f) APPLICABILITY.—The amendments made by this section shall apply with respect to fiscal year 1993 and thereafter.

SEC. 605. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) AMENDMENT OF CRANSTON-GONZALEZ NATIONAL HOUSING ACT.—Whenever in this section an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Cranston-Gonzalez National Affordable Housing Act.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 863 (42 U.S.C. 12912) is amended to read as follows:

"SEC. 863. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subtitle $162,760,000 for fiscal year 1993.".

(c) DEFINITIONS.—Section 853 (42 U.S.C. 12902) is amended—

(1) in paragraph (2), by striking "sponsor receiving assistance from a grantee" and inserting "organization eligible to receive assistance under this subtitle";

(2) in paragraph (5), by striking "metropolitan area" and inserting "metropolitan statistical area"; and

(3) by adding at the end the following new paragraphs:

"(11) The term 'city' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

"(12) The term 'eligible person' means a person with acquired immunodeficiency syndrome or a related disease and the family of such person.

"(13) The term 'nonprofit organization' means any nonprofit organization (including a State or locally chartered, nonprofit organization) that—

"(A) is organized under State or local laws;

"(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

"(C) complies with standards of financial accountability acceptable to the Secretary; and

"(D) has among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome or related diseases.

"(14) The term 'project sponsor' means a nonprofit organization or a housing agency of a State or unit of general local government that contracts with a grantee to receive assistance under this subtitle.".

(d) GRANT ELIGIBILITY AND ALLOCATION.—Section 854 (42 U.S.C. 12903) is amended—

(1) in subsection (a), by striking "and units of general local government" and inserting ", units of general local government, and nonprofit organizations";

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

"(b) IMPLEMENTATION OF ELIGIBLE ACTIVITIES.—A grantee shall carry out eligible activities under section 855 through project sponsors. Any grantee that is a State that enters into a contract with a nonprofit organization to carry out eligible activities in a locality shall obtain the approval of the unit of general local government for the locality before entering into the contract.";

(3) by striking paragraph (1) of subsection (c) and inserting the following new paragraph:

"(1) FORMULA ALLOCATION.—The Secretary shall allocate 90 percent of the amounts approved in appropriation Acts under section 863 among States and cities whose most recent comprehensive housing affordability strategy (or abbreviated strategy) has been approved by the Secretary under section 105 of this Act. Such amounts shall be allocated as follows:

"(A) 75 percent among—

"(i) cities that are the most populous unit of general local government in a metropolitan statistical area having a population greater than 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome; and

"(ii) States with more than 1,500 cases of acquired immunodeficiency syndrome outside of metropolitan statistical areas described in clause (i); and

"(B) 25 percent among cities that (i) are the most populous unit of general local government in a metropolitan statistical area having a population greater than 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome, and (ii) have a higher than average per capita incidence of acquired immunodeficiency syndrome.

A single city may receive assistance allocated under subparagraph (A) and subparagraph (B). For purposes of allocating amounts under this paragraph for any fiscal year, the number of cases of acquired immunodeficiency syndrome shall be the number of such cases reported to and confirmed by the Director of the Centers for Disease Control of the Public Health Service as of March 31 of the fiscal year immediately preceding the fiscal year for which the amounts are appropriated and to be allocated.";

(4) in subsection (c)(3)—

(A) by striking the paragraph heading and inserting "NONFORMULA ALLOCATION.—"; and

(B) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) IN GENERAL.—The Secretary shall allocate 10 percent of the amounts appropriated under section 863 among—

"(i) States and units of general local government that (I) do not qualify for allocation of amounts under paragraph (1); and

"(ii) States, units of general local government, and nonprofit organizations, to fund special projects of national significance.";

(5) in the first sentence of subsection (d), by striking "approvable applications submitted by eligible applicants" and inserting "applications submitted by applicants and approved by the Secretary";

(6) in subsection (e), by striking "requirements of subsection (b)" and inserting "other requirements of this section"; and

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

"(f) ADDITIONAL REQUIREMENT FOR CITY FORMULA GRANTEES.—In addition to the other requirements of this section, to be eligible for a grant pursuant to subsection (c)(1), a city shall provide such assurances as the Secretary may require that any grant amounts received will be allocated among eligible activities in a manner that addresses the needs within the metropolitan statistical area in which the city is located, including areas not within the jurisdiction of the city. Any such city shall coordinate with other units of general local government located within the metropolitan statistical area to provide such assurances and comply with the assurances.".

(e) LIMITATION ON SPENDING FOR OTHER ACTIVITIES.—Section 855(6) (42 U.S.C. 12904(6)) is amended by inserting before the period at the end the following: ", except that activities developed under this paragraph may be assisted only with amounts provided under section 854(c)(3)".

(f) FEES AND LIMITATION ON USE OF GRANT AMOUNTS FOR ADMINISTRATIVE EXPENSES.—Section 856 (42 U.S.C. 12905) is amended—

(1) by striking subsection (d) and inserting the following new subsection:

"(d) PROHIBITION OF FEES.—The recipient shall agree that no fee will be charged to any eligible person for any housing or services provided with amounts from a grant under this subtitle."; and

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

"(g) ADMINISTRATIVE EXPENSES.—

"(1) GRANTEES.—Notwithstanding any other provision of this subtitle, each grantee may use not more than 3 percent of the grant amount for administrative costs relating to administering grant amounts and allocating such amounts to project sponsors.

"(2) PROJECT SPONSORS.—Notwithstanding any other provision of this subtitle, each project sponsor receiving amounts from grants made under this title may use not more than 7 percent of the amounts received for administrative costs relating to carrying out eligible activities under section 855, including the costs of staff necessary to carry out eligible activities.".

(g) SHORT-TERM SUPPORTED HOUSING AND SERVICES.—Section 858 (42 U.S.C. 12907) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by inserting before the period at the end the following: " (except that health services under this paragraph may only be provided to individuals with acquired immunodeficiency syndrome or related diseases), and providing technical assistance to eligible persons to provide assistance in gaining access to benefits and services for homeless individuals provided by the Federal Government and State and local governments";

(B) by striking paragraphs (4) and (5); and

(C) by adding at the end the following new paragraphs:

"(4) OPERATION.—Providing for the operation of short-term supported housing provided under this section, including the costs of security, operation insurance, utilities, furnishings, equipment, supplies, and other incidental costs.

"(5) ADMINISTRATION.—Providing staff to carry out the program under this section (subject to the provisions of section 856(g)).."; and

(2) in subsection (b)—

(A) in paragraph (2)—

(i) by striking subparagraph (B);

(ii) in subparagraph (C), by striking "limitations under subparagraphs (A) and (B)" and inserting "limitation under subparagraph (A)"; and

(iii) by redesignating subparagraph (C) (as so amended) as subparagraph (B); and

(B) in paragraph (3), by adding at the end the following new subparagraph:

"(C) WAIVER.—Notwithstanding subparagraphs (A) and (B), the Secretary may waive the applicability of the requirements under such subparagraphs with respect to any individual for which the project sponsor has made a good faith effort to acquire permanent housing (in accordance with paragraph (4)) and has been unable to do so.".

(h) RENTAL ASSISTANCE.—

(1) IN GENERAL.—Section 859 (42 U.S.C. 12908) is amended—

(A) by striking the section heading and inserting the following new section heading:

"SEC. 859. RENTAL ASSISTANCE.";

(B) in the first sentence of subsection (a)(1), by striking "short-term"; and

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

"(c) ADMINISTRATIVE COSTS.—A project sponsor providing rental assistance under this section may use amounts from any grant received under this section for administrative expenses involved in providing such assistance, subject to the provisions of 856(g)(2).".

(2) CONFORMING AMENDMENT.—Section 855(3) (42 U.S.C. 12904(3)) is amended by striking "short-term".

(i) COMMUNITY RESIDENCES AND SERVICES.—Section 861(c) (42 U.S.C. 12910(c)) is amended—

(1) in paragraph (1)(C), by inserting before the period at the end the following: ", and expenses relating to community outreach and educational activities regarding acquired immunodeficiency syndrome and related diseases provided for individuals residing in proximity of eligible persons assisted under this subtitle"; and

(2) by striking paragraph (3) and inserting the following new paragraph:

"(3) ADMINISTRATIVE EXPENSES.—For administrative expenses related to the planning and carrying out activities under this section (subject to the provisions of section 856(g)).".

(j) ELIGIBILITY OF FAMILIES.—

(1) Section 852 (42 U.S.C. 12901) is amended by inserting "and families of such persons" before the period at the end.

(2) Section 854(c)(3) (42 U.S.C. 12903(c)(3)) is amended by striking "persons with acquired immunodeficiency syndrome" and inserting "eligible persons" each place it appears.

(3) Section 855 (42 U.S.C. 12904) is amended—

(A) in the matter preceding paragraph (1), by striking "such persons with acquired immunodeficiency syndrome" and inserting "eligible persons"; and

(B) in paragraph (5), by striking "with acquired immunodeficiency syndrome".

(4) Section 856(c) (42 U.S.C. 12905(c)) is amended by striking "such individuals" and inserting "such eligible persons".

(5) Section 858(a)(3) (42 U.S.C. 12907(a)(3)) is amended by striking "individuals" and inserting "eligible persons".

(6) Section 859(b)(1) (42 U.S.C. 12908(b)(1)) is amended by striking "individuals" and inserting "eligible persons".

(7) Sections 859(b)(2) and 860(b)(2) (42 U.S.C. 12908(b), 12909(b)(2)) are amended by inserting "with acquired immunodeficiency syndrome or related diseases" after "any individual" each place it appears.

(8) Section 861(a) (42 U.S.C. 12910(a)) is amended by striking "persons with acquired immunodeficiency syndrome or related diseases" and inserting "eligible persons".

(9) Section 861(b)(1)(A)(iv) (42 U.S.C. 12910(b)(1)(A)(iv)) is amended by striking "such individuals" and inserting "such eligible persons".

(10) Section 861(d)(1) (42 U.S.C. 12910(d)(1)) is amended—

(A) in subparagraph (A), by striking "individuals" and inserting "eligible persons"; and

(B) in subparagraph (D), by inserting "with acquired immunodeficiency syndrome or related diseases" after "any individual".

(11) Subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12901 et seq.) is amended by striking "individuals with acquired immunodeficiency syndrome or related diseases" each place it appears in the following provisions and inserting "eligible persons":

(A) Section 856(c).

(B) Section 857.

(C) Section 858—

(i) in subsection (a), in the matter preceding paragraph (1); and

(ii) in subsection (b)(1)(A);

(D) Section 859(a)(1).

(E) Section 861—

(i) in subsection (b); and

(ii) in subsection (d).

(k) REGULATIONS.—

(1) INTERIM REGULATIONS.—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a copy of proposed interim regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section). Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, the Secretary shall publish interim regulations implementing such subtitle (as amended), which shall take effect upon publication.

(2) FINAL REGULATIONS.—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), the Secretary shall issue final regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section) after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

Subtitle B—Authority for Public Housing Agencies to Provide Designated Public Housing and Assistance for Handicapped and Disabled Families

SEC. 621. DEFINITIONS.

Paragraph 3 of section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended to read as follows:

"(3) PERSONS AND FAMILIES.—

"(A) SINGLE PERSONS.—The term 'families' includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a handicapped person, (iv) a displaced person, (v) the remaining member of a tenant family, and (vi) any other single persons. In no event may any single person under clause (vi) of the first sentence be provided a housing unit assisted under this Act of 2 or more bedrooms. In determining priority for admission to housing under this Act, the Secretary shall give preference to single persons who are elderly, disabled, handicapped, or displaced persons before single persons who are eligible under clause (vi) of the first sentence.

"(B) FAMILIES.—The term 'families', in the cases of elderly families, near-elderly families, disabled families, and handicapped families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, disabled, or handicapped persons, respectively. The term includes, in the cases of elderly families, near-elderly families, disabled families, and handicapped families, 2 or more elderly, near-elderly, disabled, or handicapped individuals living together, and 1 or more such individuals living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

"(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

"(D) ELDERLY PERSON.—The term 'elderly person' means a person who is at least 62 years of age.

"(E) DISABLED PERSON.—The term 'disabled person' means a person who is under a disability as defined in section 223 of the Social Security Act or who has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

"(F) HANDICAPPED PERSON.—A person shall be considered a handicapped person if the person is determined, pursuant to regulations issued by the Secretary, to have an impairment which is expected to be of long-continued and indefinite duration, substantially impedes such person's ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions.

"(G) DISPLACED PERSON.—The term 'displaced person' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

"(H) NEAR-ELDERLY PERSON.—The term 'near-elderly person' means a person who is at least 50 years of age but below the age of 62.".

SEC. 622. AUTHORITY.

(a) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

"DESIGNATED HOUSING

"SEC. 7. (a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency whose allocation plan under subsection (f) (and any annual update) has been approved by the Secretary may, to the extent provided in the allocation plan, provide public housing projects (or portions of projects) designed or designated for occupancy by (A) only elderly families, (B) only disabled families, (C) only handicapped families, or (D) any combination of such families.

"(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing projects (or portions of projects) that are designed or designated for occupancy as provided in paragraph (1), the public housing agency may make units in such projects (or portions) available only to the types of families for whom the project is designated. Among such types of families, preference for occupancy in such projects (or portions) shall be given according to the preferences for occupancy under section 6(c)(4)(A).

"(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families to fill all the units in a project (or portion of a project) designated under paragraph (1) for occupancy by only elderly families, the agency may (pursuant to the approved allocation plan under subsection (f) for the agency) provide that near-elderly families may occupy dwelling units in the project (or portion).

"(4) VACANCY.—Notwithstanding the authority under paragraphs (1) and (2) to designate public housing projects (or portions of projects) for occupancy by only certain types of families, a public housing agency shall make any dwelling unit that is ready for occupancy in such a project (or portion of a project) that has been vacant for more than 60 consecutive days generally available for occupancy (subject to the requirements of this title) without regard to such designation; except that, during the 2-year period beginning upon the designation of a project (or portion) under paragraph (1), the public housing agency shall be required to make a unit generally available for occupancy under this paragraph only if failure to do so would result in the vacancy rate for the project (or portion) exceeding 10 percent for any period of 60 consecutive days.

"(b) AVAILABILITY OF HOUSING.—

"(1) TENANT CHOICE.—The decision of any family not to occupy or accept occupancy in an appropriate project or assistance made available to the family under this title shall not adversely affect the family with respect to a public housing agency making available occupancy in other appropriate projects in public housing or assistance under this title.

"(2) DISCRIMINATORY SELECTION.—Paragraph (1) shall not apply to any family who decides not to occupy or accept an appropriate dwelling unit in public housing or to accept assistance under this Act because of the race, color, religion, sex, familial status, or national origin of occupants of housing or the surrounding area.

"(3) APPROPRIATENESS OF DWELLING UNITS.—This section may not be construed to require a public housing agency to offer occupancy in any dwelling unit assisted under this Act to any family who is not of appropriate family size for the dwelling unit.

"(c) PROHIBITION OF EVICTIONS.—

"(1) IN GENERAL.—Any tenant who, except for the designation of a project (or portion of a project) under subsection (a)(1), is lawfully residing in a dwelling unit in the project at the time of the effectiveness of the designation, may not be evicted or otherwise required to vacate such unit because of the designation of the project (or portion of a project) or because of any action taken by the Secretary of Housing and Urban Development or any public housing agency pursuant to this section.

"(2) EXCEPTION.—Notwithstanding paragraph (1), a public housing agency may transfer any tenant residing in a dwelling unit in a project (or portion of a project) designated for occupancy as provided in subsection (a)(1) at the request of the tenant.

"(d) ACCOMMODATION OF HOUSING AND SERVICE NEEDS.—In designing, developing, otherwise acquiring and operating, designating, and providing housing and assistance under this title, each public housing agency shall meet, to the extent practicable, the housing and service needs of eligible families applying for assistance under this title, as provided in any allocation plan of the agency approved under subsection (f). To meet such needs, public housing agencies may, wherever practicable and in accordance with any allocation plan of the agency—

"(1) provide housing in which supportive services are provided, facilitated, or coordinated, mixed housing, shared housing, family housing, group homes, congregate housing under subsection (e), and other housing as the public housing agency considers appropriate;

"(2) carry out major reconstruction of obsolete public housing projects and reconfiguration of public housing dwelling units; and

"(3) provide assistance under section 8.

"(e) CONGREGATE HOUSING.—

"(1) DEFINITION.—For purposes of this section, the term 'congregate housing' means low-rent housing with which there is connected a central dining facility where wholesome and economical meals can be served to occupants.

"(2) OPERATING COSTS.—Expenditures incurred by a public housing agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered a cost of operation of the project.

"(f) ALLOCATION PLANS.—

"(1) REQUIREMENT.—A public housing agency may not designate a project (or portion of a project) for occupancy under subsection (a)(1) unless the agency submits an allocation plan under this subsection and the plan is approved under paragraph (4) of this subsection.

"(2) CONTENTS.—An allocation plan submitted under this subsection by a public housing agency shall—

"(A) provide a description of the types of tenants occupying units in public housing administered by the agency;

"(B) provide a profile of the estimated pool of applicants for such housing for the ensuing 5-year period (based on the comprehensive housing affordability strategy for the jurisdiction in which the area served by the public housing agency is located);

"(C) identify the projects or portions of projects (including the buildings or floors) to be designated for occupancy under subsection (a)(1) for only certain types of families and the types of families who will be eligible for occupancy in such projects (or portions);

"(D) document the number of units in the projects (or portions) identified under subparagraph (C) which became vacant and available for occupancy during the preceding year;

"(E) estimate the number of units in the projects (or portions) identified under subparagraph (C) that will become vacant and available for occupancy during the ensuing 2-year period;

"(F) provide a plan for ensuring that designating projects (or portions of projects) for occupancy under subsection (a)(1), when considered together with affordable housing opportunities for handicapped and disabled families available from the public housing agency, will not result (to the extent practicable) in the public housing agency providing public housing units or assistance for fewer handicapped and disabled families than were assisted by the agency before such designation unless the allocation plan demonstrates that such a reduction is necessary;

"(G) describe how the public housing agency will meet the needs of any families who are residing in a project (or portion) designated for occupancy under subsection (a)(1) but are not the type of family for whom the project (or portion) is designated, including describing any incentives that will be made available to such families to voluntarily move from such projects (or portions);

"(H) state the amount of assistance for handicapped and disabled families under section 8(q) that the public housing agency will apply for during the ensuing 2 fiscal years;

"(I) state the amount of assistance for major reconstruction of obsolete projects to be requested by the public housing agency under section 5(j)(2)(F) for the ensuing 2 fiscal years; and

"(J) state the amount of assistance for development or acquisition of public housing to be requested by the public housing agency under section 5(j)(3) for the ensuing 2 fiscal years.

"(3) DEVELOPMENT.—In preparing the initial allocation plan, or updates of a plan under paragraph (5), for submission under this subsection, a public housing agency shall consult with the State or unit of general local government in whose jurisdiction the area served by the public housing agency is located and shall hold 1 or more public hearings to obtain the views of citizens, public agencies, advocates for the interests of elderly persons, handicapped persons, and disabled persons, and other interested parties.

"(4) APPROVAL.—

"(A) CRITERIA.—The Secretary shall approve an allocation plan, or an updated plan, submitted under this subsection if the Secretary determines that—

"(i) the information contained in the plan is complete and accurate and, based on the information provided in the plan, the projections are reasonable;

"(ii) implementation of the plan will not result in excessive vacancy rates in projects (or portions of projects) identified in paragraph (2)(C); and

"(iii) the plan reasonably ensures compliance with the requirements under paragraph (2)(F).

"(B) NOTIFICATION.—The Secretary shall notify each public housing agency submitting an allocation plan under this subsection in writing of approval or disapproval of the plan. If the Secretary disapproves the plan, the Secretary shall, for a period of not less than 45 days following the date of disapproval, permit amendments to, or resubmission of, the plan. If the Secretary does not notify the public housing agency of approval or disapproval of the initial or revised plan within 45 days after submission of such plan, such plan shall be considered to be approved.

"(C) RULE OF CONSTRUCTION.—The approval of an allocation plan or updated plan under this subsection may not be construed to constitute approval of the request for assistance for major reconstruction of obsolete projects or for assistance for development or acquisition of public housing that are contained in the plan pursuant to subparagraphs (I) and (J) of paragraph (2).

"(5) BIANNUAL UPDATE.—Each public housing agency that owns or operates a project (or portion of a project) that is designated for occupancy under subsection (a)(1) shall update the plan of the agency under this subsection not less than once every 2 years, as the Secretary shall provide. The Secretary shall approve the updated plans if they comply with the requirements under paragraphs (3) and (4). The Secretary shall notify each public housing agency submitting an updated plan under this paragraph of approval or disapproval of the updated plan as required under paragraph (4)(B), and the provisions of such paragraph shall apply to updated plans under this paragraph.".

(b) OCCUPANCY PREFERENCES.—The matter preceding clause (i) in section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended by striking "specifically designated for elderly families" and inserting "designated for occupancy pursuant to section 7(a)".

SEC. 623. SECTION 8 ASSISTANCE FOR HANDICAPPED AND DISABLED FAMILIES.

Section 8(q) of the United States Housing Act of 1937 (42 U.S.C. 1437f(q)), as amended by section 141 of this Act, is further amended by adding at the end the following new paragraph:

"(4) ASSISTANCE FOR HANDICAPPED AND DISABLED FAMILIES.—For each fiscal year, each public housing agency that administers assistance under this section and that designates any public housing project (or portion of a project) for occupancy under section 7(a)(1) shall apply for, as part of the total amount provided to the agency for the year, the amount of tenant- and project-based assistance necessary (as determined under the allocation plan under section 7(f)) to provide assistance under this section on behalf of nonelderly handicapped and nonelderly disabled families who are to be served by the agency and are not current tenants of the agency, or on behalf of tenants expect to voluntarily transfer out of projects (or portions of projects) designated for occupancy under section 7(a)(1). Any assistance provided under this subsection for handicapped and disabled families shall be allocated for such families subject to any preferences under subsection (h)(2).".

SEC. 624. DEVELOPMENT AND RECONSTRUCTION OF HOUSING FOR HANDICAPPED AND DISABLED FAMILIES.

(a) SET-ASIDE OF MAJOR RECONSTRUCTION FUNDS FOR RECONFIGURATION OF PROJECTS.—Section 5(j)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)(2)), as amended by section 111(a) of this Act, is further amended by adding at the end the following new subparagraph:

"(F)(i) In fiscal year 1993, the Secretary shall commit for use under clause (ii) not less than 5 percent of any amounts reserved under subparagraph (A) for such fiscal year.

"(ii) The amounts referred to in clause (i) shall be available only to public housing agencies that have designated projects (or portions of projects) for occupancy under section 7(a)(1) for use only for the reconfiguration of portions of public housing projects into dwelling units of sizes appropriate for disabled or handicapped single persons who are not elderly persons and groups of such single persons.

"(iii) In allocating amounts reserved under this subparagraph among public housing agencies, the Secretary shall consider the need for any such amounts as identified in the allocation plans submitted by agencies under section 7(f).".

(b) SET-ASIDE OF NEW CONSTRUCTION FUNDS FOR HOUSING DESIGNED FOR DISABLED FAMILIES AND SINGLE PERSONS.—Section 5(j) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)) is amended by adding at the end the following new paragraph:

"(3)(A) In fiscal year 1993, the Secretary shall reserve for use under subparagraph (B) not less than 5 percent of any amounts approved in appropriation Acts for such fiscal year for public housing grants under subsection (a)(2) that are not designated under such Acts for use under paragraph (2) for the substantial redesign, reconstruction, or redevelopment of existing public housing projects, buildings, or units.

"(B) Any amount reserved under subparagraph (A) shall be available only to public housing agencies that have designated projects (or portions of projects) for occupancy under section 7(a)(1) for use only for the costs of development or acquisition of public housing projects or buildings designed to meet the special needs of handicapped and disabled single persons who are not elderly persons and handicapped and disabled families who are not elderly families.

"(C) The Secretary shall carry out a competition for budget authority reserved under subparagraph (A) among eligible public housing agencies and shall allocate such budget authority to public housing agencies pursuant to the competition, based on (i) the need of the agency for such assistance (taking into consideration the allocation plans submitted under section 7(f) by agencies), and (ii) the ability of agencies to demonstrate that commitments have been made to provide appropriate supportive services to the tenants of the public housing projects and buildings to be developed or assisted pursuant to this paragraph.

"(D) For purposes of this paragraph, the term 'appropriate supportive services' means services designed to meet the special needs of tenants, and may include meal services, health-related services, mental health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, and other appropriate services.".

SEC. 625. CONFORMING AMENDMENTS.

(a) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 3(b)(5)(B), by inserting ", disabled, or handicapped" after "elderly";

(2) in the last sentence of section 6(a), by striking "the elderly" and inserting "elderly, disabled, or handicapped families";

(3) in section 14(i)(1)(D)(ii), by striking "elderly families and handicapped families" and inserting "elderly, disabled, and handicapped families"; and

(4) in section 17(c)(2)(G)(i), by striking "the elderly" and inserting "elderly families".

(b) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.—The first sentence of section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438) is amended by striking "the elderly or the handicapped" and inserting "elderly, disabled, or handicapped families".

SEC. 626. INAPPLICABILITY TO INDIAN PUBLIC HOUSING.

The amendments made by this subtitle shall not apply with respect to lower income housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

Subtitle C—Standards and Obligations of Residency in Federally Assisted Housing

SEC. 641. COMPLIANCE BY OWNERS AS CONDITION OF FEDERAL ASSISTANCE.

The Secretary of Housing and Urban Development shall require owners of federally assisted housing (as such term is defined in section 684(2)), as a condition of receiving housing assistance for such housing, to comply with the procedures and requirements established under this subtitle.

SEC. 642. COMPLIANCE WITH CRITERIA FOR OCCUPANCY AS REQUIREMENT FOR TENANCY.

In selecting tenants for occupancy of units in federally assisted housing, an owner of such housing shall utilize the criteria for occupancy in federally assisted housing established by the Secretary, by regulation, under section 643. If an owner determines that an applicant for occupancy in the housing does not meet such criteria, the owner may deny such applicant occupancy.

SEC. 643. ESTABLISHMENT OF CRITERIA FOR OCCUPANCY.

(a) TASK FORCE.—

(1) ESTABLISHMENT.—To assist the Secretary in establishing reasonable criteria for occupancy in federally assisted housing, the Secretary shall establish a task force to review all rules, policy statements, handbooks, technical assistance memoranda, and other relevant documents issued by the Department of Housing and Urban Development on the standards and obligations governing residency in federally assisted housing and make recommendations to the Secretary for the establishment of such criteria for occupancy.

(2) MEMBERS.—The Secretary shall appoint members to the task force, which shall include individuals representing the interests of owners, managers, and tenants of federally assisted housing, public housing agencies, owner and tenant advocacy organizations, organizations assisting homeless individuals, and social service, mental health, and other nonprofit servicer providers who serve federally assisted housing.

(3) COMPENSATION.—Members of the task force shall not receive compensation for serving on the task force.

(4) DUTIES.—The task force shall—

(A) conduct a study of the existing standards and obligations governing occupancy in federally assisted housing, including any requirement or allowance for assisted applications;

(B) draft proposed criteria for occupancy in federally assisted housing, including (as necessary) a requirement for assisted applications, to ensure that such housing is decent, safe, and sanitary, and the right to peaceful enjoyment of the housing and the health, safety, and welfare of other tenants, is not impaired, and setting forth standards for the reasonable performance and behavior of tenants and procedures for eviction of tenants not complying with such standards,; and

(C) report to the Congress on its findings pursuant paragraph (7).

(5) PROCEDURE.—In carrying out its duties, the task force shall hold public hearings and receive written comments for a period of not less than 60 days.

(6) SUPPORT.—The Secretary of Housing and Urban Development shall cooperate fully with the task force and shall provide support staff and office space to assist the task force in carrying out its duties.

(7) REPORTS.—Not later than 3 months after the date of enactment of this Act, the task force shall submit to the Secretary and the Congress a preliminary report describing its initial actions. Not later than 6 months after the date of enactment of this Act, the task force shall submit a report to the Secretary and the Congress, which shall include (A) a description of its findings, (B) a set of proposed criteria for occupancy in federally assisted housing, and (C) a set of proposed criteria for eviction of residents from federally assisted housing.

(b) RULEMAKING.—

(1) AUTHORITY.—The Secretary shall, by regulation, establish criteria for occupancy in federally assisted housing and for eviction of tenants from such housing.

(2) STANDARDS.—The criteria shall be sufficient to ensure that such housing is decent, safe, and sanitary, and the right to peaceful enjoyment of the housing and the health, safety, and welfare of other tenants, is not impaired and shall set forth standards for the reasonable performance and behavior of tenants. The criteria shall be consistent with the requirements under subsections (k) and (l) of section 6 and section 8(h) of the United States Housing Act of 1937 and any similar contract and lease requirements for federally assisted housing. In establishing the criteria, the Secretary shall take into consideration the proposed standards contained in the report of the task force under subsection (a)(7).

(3) PROCEDURE.—Not later than 90 days after the submission of the final report under subsection (a)(7), the Secretary shall issue a notice of proposed rulemaking of the regulations under this subsection providing for notice and opportunity for public comment regarding the regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall not be less than 60 days. The Secretary shall issue final regulations under this subsection not later than the expiration of the 60-day period beginning upon the conclusion of the comment period, which shall take effect upon issuance.

SEC. 644. ASSISTED APPLICATIONS.

The Secretary shall provide that any individual or family applying for occupancy in federally assisted housing may include in the application for the housing the name, address, phone number, and other relevant information of a family member, friend, or social, health, advocacy, or other organization. The Secretary shall require the owner of any federally assisted housing receiving an application including such information to maintain such information for any applicants who become tenants of the housing, for the purposes of facilitating contact by the owner with such person or organization to assist in providing any services or special care for the tenant and assist in resolving any relevant tenancy issues arising during the tenancy of such tenant.

Subtitle D—Authority to Provide Preferences for Elderly Residents and Units for Handicapped and Disabled Residents in Federally Assisted Housing

SEC. 651. AUTHORITY.

Notwithstanding any other provision of law, an owner of a covered federally assisted housing project (as such term is defined in section 657) designed primarily for occupancy by elderly families may, in selecting tenants for units in the project that become available for occupancy, give preference to elderly families who have applied for occupancy in the housing, subject to the requirements of this subtitle.

SEC. 652. RESERVATION OF UNITS FOR HANDICAPPED AND DISABLED FAMILIES.

(a) REQUIREMENT.—Notwithstanding any other provision of law, for any project for which an owner gives preference in occupancy to elderly families pursuant to section 651, such owner shall (subject to sections 653, 654, and 655) reserve units in the project for occupancy only by handicapped or disabled families who are not elderly or near-elderly families (and who have applied for occupancy in the housing) in the number determined under subsection (b).

(b) NUMBER OF UNITS.—Each owner required to reserve units in a project for occupancy under subsection (a) shall reserve a number of units in the project that is not less than the lesser of—

(1) the number of units equivalent to the higher of—

(A) the percentage of units in the project that were occupied by such handicapped and disabled families upon the date of the enactment of this Act; or

(B) the percentage of units in the project that were occupied by such families upon January 1, 1992; or

(2) 10 percent of the number of units in the project.

SEC. 653. SECONDARY PREFERENCES.

(a) INSUFFICIENT ELDERLY FAMILIES.—If an owner of a covered federally assisted housing project in which elderly families are given a preference for occupancy pursuant to section 651 determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families who have applied for occupancy in the housing to fill all the units in the project not reserved under section 652, the owner may give preference for occupancy of such units to handicapped and disabled families who are near-elderly families and have applied for occupancy in the housing.

(b) INSUFFICIENT NON-ELDERLY HANDICAPPED AND DISABLED FAMILIES.—If an owner of a covered federally assisted housing project in which elderly families are given a preference for occupancy pursuant to section 651 determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of handicapped or disabled families who are not elderly or near-elderly families and have applied for occupancy in the housing to fill all the units in the project reserved under section 652, the owner may give preference for occupancy of units so reserved to handicapped and disabled families who are near-elderly families and have applied for occupancy in the housing.

SEC. 654. GENERAL AVAILABILITY OF UNITS.

If an owner of a covered federally assisted housing project in which handicapped and disabled families who are near-elderly families are given a preference for occupancy pursuant to subsection (a) or (b) of section 653 determines (in accordance with regulations established by the

Secretary) that there are an insufficient number of such families to fill all the units in the project for which the preference is applicable, the owner shall make such units generally available for occupancy by families who have applied, and are eligible, for occupancy in the housing, without regard to the preferences established pursuant to this subtitle.

SEC. 655. PREFERENCE WITHIN GROUPS.

Among handicapped and disabled families qualifying for occupancy in units reserved under section 652, and among elderly families and near-elderly families qualifying for preference for occupancy pursuant to section 651 or 653, preference for occupancy in units that are assisted under section 8 of the United States Housing Act of 1937 shall be given to handicapped and disabled families according to the preferences for occupancy referred to in subclauses (I) through (III) of section 8(h)(2)(A)(ii) of the United States Housing Act of 1937, to elderly families according to such preferences, and to near-elderly families according to such preferences, respectively.

SEC. 656. PROHIBITION OF EVICTIONS.

Any tenant who, except for reservation of a percentage of the units of a project pursuant to section 652 or any preference for occupancy established pursuant to this subtitle, is lawfully residing in a dwelling unit in a covered federally assisted housing project upon the effectiveness of such reservation or preferences, may not be evicted or otherwise required to vacate such unit because of the reservation or preferences or because of any action taken by the Secretary of Housing and Urban Development or the owner of the project pursuant to this subtitle.

SEC. 657. COVERED FEDERALLY ASSISTED HOUSING.

For purposes of this subtitle, the term "covered federally assisted housing" means housing that is federally assisted housing (as such term is defined in section 684(2), except that such term does not include housing described in subparagraphs (A) and (C) of such section.

SEC. 658. RULE OF CONSTRUCTION.

The provisions of this subtitle may not be construed to affect any covered federally assisted housing project the owner for which does not elect to provide a preference for occupancy of elderly families as authorized under section 651.

Subtitle E—Service Coordinators for Elderly, Handicapped, and Disabled Residents of Federally Assisted Housing

SEC. 661. REQUIREMENT TO PROVIDE SERVICE COORDINATORS.

(a) IN GENERAL.—To the extent that amounts are made available to carry out this subtitle pursuant to the amendments made by this subtitle, the Secretary shall require owners of covered federally assisted housing projects (as such term is defined in subsection (d)) receiving such amounts to provide for employing or otherwise retaining the services of one or more individuals to coordinate the provision of supportive services for elderly, handicapped, and disabled families residing in the projects (in this section referred to as a "service coordinator").

(b) RESPONSIBILITIES.—Each service coordinator of a covered federally assisted housing project provided pursuant to this subtitle or the amendments made by this subtitle—

(1) shall consult with the owner of the housing, tenants, any tenant organizations, any resident management organizations, service providers, and any other appropriate persons, to identify the particular needs and characteristics of elderly, handicapped, and disabled families who reside in the project and any supportive services related to such needs and characteristics;

(2) shall manage and coordinate the provision of such services for residents of the project;

(3) may provide training to tenants of the project in the obligations of tenancy or coordinate such training;

(4) shall meet the minimum qualifications and standards required under section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act; and

(5) may carry out other appropriate activities for residents of the project.

(c) INCLUDED SERVICES.—Supportive services referred to under subsection (b)(1) may include health-related services, mental health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, and other appropriate services. The services may be provided through any agency of the Federal Government or any other public or private department, agency, or organization.

(d) COVERED FEDERALLY ASSISTED HOUSING.—For purposes of this subtitle, the term "covered federally assisted housing" means housing that is federally assisted housing (as such term is defined in section 684(2), except that such term does not include housing described in subparagraphs (C) and (D) of such section.

SEC. 662. REQUIRED TRAINING OF SERVICE COORDINATORS.

Section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(d)(4)) is amended by inserting after the period at the end of the first sentence beginning after subparagraph (E) the following new sentence: "Such qualifications and standards shall include requiring each service coordinator to be trained in the aging process, elder services, eligibility for and procedures of Federal and applicable State entitlement programs, legal liability issues relating to providing service coordination, drug and alcohol use and abuse by the elderly, and mental health issues relating to aging.".

SEC. 663. COSTS OF PROVIDING SERVICE COORDINATORS IN PUBLIC HOUSING.

Section 9(a)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437g(a)(1)(B)) is amended—

(1) in the first sentence, by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(2) in the second sentence—

(A) by striking "subparagraph" and inserting "clause";

(B) by inserting "or section 802 of the Cranston-Gonzalez National Affordable Housing Act" after "Congregate Housing Services Act of 1978"; and

(C) by inserting a period after "section 811 of the Cranston-Gonzalez National Affordable Housing Act";

(3) by inserting "(i)" after the subparagraph designation; and

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

"(ii) Annual contributions under this section to any public housing agency for any project may be used, with respect to such project, for (I) the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any supportive services within the project for residents of the project who are elderly, handicapped, and disabled families, and (II) expenses for the provision of such services for such residents of the project. Not more than 15 percent of the cost of the provision of such services may be provided under this section. Services may not be provided under this clause for any person receiving assistance under the Congregate Housing Services Act of 1978 or section 802 of the Cranston-Gonzalez National Affordable Housing Act. The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $30,000,000 on or after October 1, 1992. Amounts made available under this clause shall be used to provide additional annual contributions to public housing agencies only for the purpose of providing service coordinators and services under this clause for public housing projects.".

SEC. 664. COSTS OF PROVIDING SERVICE COORDINATORS IN PROJECT-BASED SECTION 8 HOUSING.

Section 8(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(i)), as amended by section 141 of this Act, is further amended by adding at the end the following new paragraph:

"(6) SERVICE COORDINATORS.—

"(A) ELIGIBLE COST.—In determining the amount of assistance provided under an assistance contract for project-based assistance under this subsection or a contract for assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983), the Secretary may consider and annually adjust, with respect to such project, for the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, or disabled families.

"(B) FUNDING.—The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $5,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for assistance under this section which shall be made available through assistance contracts only for the purpose of providing service coordinators under subparagraph (A) for projects receiving project-based assistance and to provide additional amounts under contracts for assistance for projects constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983) only for such purpose.".

SEC. 665. COSTS OF PROVIDING SERVICE COORDINATORS FOR RESIDENTS OF TENANT-BASED SECTION 8 HOUSING.

Section 8(n) of the United States Housing Act of 1937 (42 U.S.C. 1437f(n)), as amended by section 141 of this Act, is further amended by adding at the end the following new paragraph:

"(4) SERVICE COORDINATORS.—

"(A) ELIGIBLE USE.—Fees under this subsection may be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of supportive services for elderly, handicapped, and disabled families on whose behalf assistance not attached to a structure is provided under this section. Such service coordinators shall have the same responsibilities with respect to such families as service coordinators of covered federally assisted housing projects have under section 661 of such Act with respect to residents of such projects.

"(B) CALCULATION OF FEES.—To the extent amounts are provided in appropriation Acts under subparagraph (C), the Secretary shall increase fees under this subsection to provide for the costs of such service coordinators for public housing agencies.

"(C) FUNDING.—The budget authority available under section 5(c) for assistance under this section is authorized to be increased by

$15,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for increased fees under this subsection, which shall be used only for the purpose of providing service coordinators for public housing agencies described in subparagraph (A).".

SEC. 666. GRANTS FOR COSTS OF PROVIDING SERVICE COORDINATORS IN MULTIFAMILY HOUSING ASSISTED UNDER NATIONAL HOUSING ACT.

(a) AUTHORITY.—The Secretary may make grants under this section to owners of federally assisted housing projects described in subparagraphs (E) and (F) of section 684(2). Any grant amounts shall be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, and disabled families (as such terms are defined in section 684 of this Act).

(b) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this section and for selection of applicants to receive such grants.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for grants under this section.

(d) ELIGIBLE PROJECT EXPENSE.—For any federally assisted housing project described in subparagraph (E) or (F) of section 684(2) that does not receive a grant under this section, the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 and not more than 15 percent of the cost of providing services to the residents of the project shall be considered an eligible project expense, but only to the extent that amounts are available from project rent and other income for such costs.

SEC. 667. EXPANDED RESPONSIBILITIES OF SERVICE COORDINATORS IN SECTION 202 HOUSING.

(a) SUPPORTIVE HOUSING FOR THE ELDERLY.—Section 202(g) of the Housing Act of 1959 (12 U.S.C. 1701q(g)), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(A) in paragraph (2), by striking the last sentence; and

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

"(3) SERVICE COORDINATORS.—Any cost associated with employing or otherwise retaining a service coordinator in housing assisted under this section shall be considered an eligible cost under subsection (c)(2). If a project is receiving congregate housing services assistance under section 802 of the Cranston-Gonzalez National Affordable Housing Act, the amount of costs provided under subsection (c)(2) for the project service coordinator may not exceed the additional amount necessary to cover the costs of providing for the coordination of services for residents of the project who are not eligible residents under such section 802. To the extent that amounts are available pursuant to subsection (c)(2) for the costs of carrying out this paragraph within a project, an owner of housing assisted under this section shall provide a service coordinator for the housing to coordinate the provision of services under this subsection within the housing.".

(b) OLD SECTION 202 PROJECTS.—

(1) AVAILABILITY OF SECTION 8 ASSISTANCE.—Subject to the availability of appropriations for contract amendments for the purpose of this paragraph, in determining the amount of assistance under section 8 of the United States Housing Act of 1937 to be provided for a project assisted under section 202 of the Housing Act of 1959, as in effect before the effectiveness of the amendments made by section 801 of the Cranston-Gonzalez National Affordable Housing Act, the Secretary shall consider (and annually adjust for) the costs of—

(A) employing or otherwise retaining the services of one or more service coordinators under section 661 of this Act to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, and disabled families; and

(B) expenses for the provision of such services.

Not more than 15 percent of the cost of the provision of services under subparagraph (B) may be considered under this paragraph for purposes of determining the amount of assistance provided.

(2) LIMITATION.—If a project is receiving congregate housing services assistance under the Congregate Housing Services Act of 1978 or section 802 of the Cranston-Gonzalez National Affordable Housing Act, the amount of costs provided pursuant to paragraph (1) for the project may not exceed the additional amount necessary to cover the costs of providing for the coordination of services for residents of the project who are not eligible residents under such section 802 or eligible project residents under the Congregate Housing Services Act of 1978, as applicable.

Subtitle F—General Provisions

SEC. 681. COMPREHENSIVE HOUSING AFFORDABILITY STRATEGIES.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended by adding after paragraph (16), as added by section 219(b) of this Act, the following new paragraph:

"(17) describe the nature and extent of housing needs of elderly, handicapped, and disabled families (as such terms are defined in section 3(b)(3) of the United States Housing Act of 1937) in the jurisdiction, including an estimate of any special housing needs of elderly persons who are more than 75 years of age and of handicapped and disabled families.".

SEC. 682. CLEARINGHOUSES.

(a) IN GENERAL.—The Secretary shall provide to an appropriate entity in each housing market area information regarding the availability of federally assisted housing in the area for elderly, handicapped, and disabled families, and the availability of units in such housing for such families. The Secretary shall enter into agreements with such appropriate entities providing for such entities to make the information available to elderly, handicapped, and disabled families and refer such families to owners of such housing.

(b) APPROPRIATE ENTITIES.—For purposes of subsection (a), the term "appropriate entity" means an agency or organization that, in the determination of the Secretary, has the capacity to carry out the responsibilities under such subsection. Such entities may include the applicable Area Agency on the Aging, the housing agency of the applicable unit of general local government, the applicable housing credit agency for purposes of section 42 of the Internal Revenue Code of 1986, any service provider for elderly, handicapped, or disabled residents of federally assisted housing in the area, or any other appropriate person.

(c) CONFORMING PROVISION.—Notwithstanding section 801(c) of the Cranston-Gonzalez National Affordable Housing Act, the provisions of section 202(p) of the Housing Act of 1959 (as such section existed on September 30, 1991) shall not be given any effect.

SEC. 683. CONFORMING AMENDMENTS.

(a) PUBLIC HOUSING.—Section 6(c)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)) is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(F) requiring the public housing agency to ensure and maintain compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle."; and

(b) PROJECT-BASED SECTION 8 HOUSING.—Section 8(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(h)), as amended by sections 141 and 664 of this Act, is further amended by adding at the end the following new paragraphs:

"(7) SERVICE COORDINATORS.—An assistance contract for project-based assistance under this subsection shall provide that the owner shall ensure and maintain compliance with the subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.

"(8) PREFERENCES FOR ELDERLY, HANDICAPPED, AND DISABLED RESIDENTS.—Notwithstanding subsection (h)(2), an owner of a housing for which project-based assistance is provided under this subsection may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992.".

(c) SUPPORTIVE HOUSING FOR THE ELDERLY.—Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) in subsection (i)(1), by inserting after the first sentence the following new sentence: "Such tenant selection procedures shall comply with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle."; and

(2) in subsection (j), by adding after paragraph (6) (as added by section 601(d) of this Act) the following new paragraph:

"(7) COMPLIANCE WITH HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Each owner shall operate housing assisted under this section in compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.".

(d) SECTION 221(d)(3) PROJECTS.—Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended—

(1) in the second sentence—

(A) by inserting "disabled," after "elderly,";

(B) by striking "and" after the last comma; and

(C) by inserting before the period at the end the following: ", and that an owner of such a project may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992"; and

(2) by striking the 5th sentence and inserting the following new sentence: "For purposes of this section, the terms 'elderly family', 'handicapped family', and 'disabled family' shall have the meaning given the terms under section 3(b)(3) of the United States Housing Act of 1937.".

(e) SECTION 236 PROJECTS.—Section 236 of the National Housing Act (12 U.S.C. 1715z-1) is amended—

(1) in subsection (i)(4)—

(A) in the first sentence, by inserting ", disabled," after "elderly"; and

(B) by striking the second sentence and all that follows and inserting the following new sentences: "An owner of any project planned in

whole or in part for occupancy by elderly, disabled, or handicapped families may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992. For purposes of this section, the terms 'elderly family', 'handicapped family', and 'disabled family' shall have the meaning given the terms under section 3(b)(3) of the United States Housing Act of 1937."; and

(2) in subsection (j)—

(A) in paragraph (2)—

(i) in subparagraph (A), by inserting "and" after the semicolon at the end;

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraph (C) as subparagraph (B); and

(B) in paragraph (5)—

(i) in subparagraph (A), by inserting ", disabled," after "elderly" each place it appears;

(ii) in subparagraph (B), by inserting "disabled," after "elderly,"; and

(iii) in subparagraph (C)—

(I) by inserting ", disabled," after "elderly"; and

(II) by striking "That" and all that follows through "project" and inserting the following: "That an owner of such a project may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992".

SEC. 684. DEFINITIONS.

For purposes of this subtitle:

(1) ELDERLY, HANDICAPPED, DISABLED, AND NEAR-ELDERLY FAMILIES.—The terms "elderly family", "handicapped family", "disabled family", and "near-elderly family" have the meanings given the terms under section 3(b)(3) of the United States Housing Act of 1937.

(2) FEDERALLY ASSISTED HOUSING.—The terms "federally assisted housing" and "project" mean—

(A) a public housing project (as such term is defined in section 3(b) of the United States Housing Act of 1937);

(B) housing for which project-based assistance is provided under section 8 of the United States Housing Act of 1937;

(C) housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

(D) housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act;

(E) housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(F) housing insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act; and

(G) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983, that is assisted under a contract for assistance under such section.

(3) HOUSING ASSISTANCE.—The term "housing assistance" means, with respect to federally assisted housing, the grant, contribution, capital advance, loan, mortgage insurance, or other assistance provided for the housing under the provisions of law referred to in paragraph (2). The term also includes any related assistance provided for the housing by the Secretary, including any rental assistance for low-income occupants.

(4) OWNER.—The term "owner" means, with respect to federally assisted housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing.

(5) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 685. APPLICABILITY.

Except as otherwise provided in subtitles B through F of this title and the amendments made by such subtitles, such subtitles and the amendments made by such subtitles shall apply upon the expiration of the 6-month period beginning on the date of the enactment of this Act.

SEC. 686. REGULATIONS.

The Secretary shall issue regulations necessary to carry out subtitles B through F of this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

TITLE VII—RURAL HOUSING

SEC. 701. PROGRAM AUTHORIZATIONS.

(a) INSURANCE AND GUARANTEE AUTHORITY.—Section 513(a) of the Housing Act of 1949 (42 U.S.C. 1483(a)) is amended to read as follows:

"(a) INSURANCE AND GUARANTEE AUTHORITY.—

"(1) IN GENERAL.—The Secretary may, to the extent approved in appropriation Acts, insure and guarantee loans under this title during fiscal year 1993, in aggregate amounts not to exceed $2,305,836,000, as follows:

"(A) For insured or guaranteed loans under section 502 on behalf of low income borrowers receiving assistance under section 521(a)(1), $1,509,144,000.

"(B) For guaranteed loans under section 502(h), such sums as may be appropriated.

"(C) For loans under section 504, $12,896,000.

"(D) For insured loans under section 514, $13,000,000.

"(E) For insured loans under section 515, $769,080,000.

"(F) For loans under section 523(b)(1)(B), $832,000.

"(G) For site loans under section 524, $884,000.

"(2) AUTHORIZATION OF APPROPRIATIONS FOR CREDIT COSTS.—There are authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of loan obligations under this title the following amounts:

"(A) $283,719,072 for loans under section 502.

"(B) $5,596,864 for loans under section 504.

"(C) $7,358,160 for loans under section 514.

"(D) $398,845,488 for loans under section 515.

"(E) $106,500 for loans under section 523(b).

"(F) $19,500 for loans under section 524.

"(3) LIMITATION.—Notwithstanding any other provision of law, insured and guaranteed loan authority in this title for any fiscal year beginning after September 30, 1984, shall not be transferred or used for any purpose not specified in this title.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 513(b) of the Housing Act of 1949 (42 U.S.C. 1483(b)) is amended by striking "(b) There" and all that follows through the end of paragraph (8) and inserting the following:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1993, and to remain available until expended, the following amounts:

"(1) For grants under section 502(f)(1), $1,144,000.

"(2) For the demonstration program under section 502(g)(3), such sums as may be necessary.

"(3) For grants under section 504, $21,944,000.

"(4) For purposes of section 509(c), $624,000.

"(5) For project preparation grants under section 509(f)(6), $5,512,000.

"(6) In fiscal year 1993, such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary.

"(7) For grants under section 515(x), such sums as may be necessary for fiscal year 1993.

"(8) For financial assistance under section 516—

"(A) for low-rent housing and related facilities for domestic farm labor under subsections (a) through (j) of such section, $22,568,000; and

"(B) for housing for rural homeless and migrant farmworkers under subsection (k) of such section, $10,920,000.

"(9) For grants under section 523(f), $14,456,000.

"(10) For grants under section 533, $32,032,000.".

(c) RENTAL ASSISTANCE PAYMENT CONTRACTS.—Section 513(c)(1) of the Housing Act of 1949 (42 U.S.C. 1483(c)(1)) is amended to read as follows:

"(c) RENTAL ASSISTANCE PAYMENT CONTRACTS.—(1) The Secretary, to the extent approved in appropriation Acts for fiscal year 1993, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating $430,664,000 for fiscal year 1993.".

(d) SUPPLEMENTAL RENTAL ASSISTANCE CONTRACTS.—Section 513(d) of the Housing Act of 1949 (42 U.S.C. 1483(d)) is amended to read as follows:

"(d) SUPPLEMENTAL RENTAL ASSISTANCE CONTRACTS.—The Secretary, to the extent approved in appropriation Acts for fiscal year 1993, may enter into 5-year supplemental rental assistance contracts under section 502(c)(5)(D) aggregating $5,720,000 for fiscal year 1993.".

(e) DEFERRED MORTGAGE DEMONSTRATION.—Section 502(g) of the Housing Act of 1949 (42 U.S.C. 1472(g)) is amended by striking paragraph (3).

SEC. 702. ELIGIBILITY OF HOMES ON LEASED LAND OWNED BY COMMUNITY LAND TRUSTS FOR SECTION 502 LOANS.

(a) ELIGIBILITY.—Section 502(a) of the Housing Act of 1949 (42 U.S.C. 1472(a)) is amended by adding at the end the following new paragraph:

"(3)(A) Notwithstanding any other provision of this title, a loan may be made under this section for the purchase of a dwelling located on land owned by a community land trust, if the borrower and the loan otherwise meet the requirements applicable to loans under this section.

"(B) For purposes of this paragraph, the term 'community land trust' means a community housing development organization (as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (except that the requirement under section 104(6)(B) shall not apply for purposes of this paragraph)—

"(i) that is not sponsored by a for-profit organization;

"(ii) that is established to carry out the activities under clause (iii);

"(iii) that—

"(I) acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;

"(II) transfers ownership of any structural improvements located on such leased parcels to the lessees; and

"(III) retains a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low- and moderate-income families in perpetuity; and

"(iv) whose corporate membership that is open to any adult resident of a particular geographic area specified in the bylaws of the organization.".

(b) RECAPTURE.—Section 521(a)(1)(D) of the Housing Act of 1949 (42 U.S.C. 1490a(a)(1)(D)) is amended—

(1) by inserting "(i)" after "(D)"; and

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

"(ii) In determining the amount recaptured under this subparagraph with respect to any loan made pursuant to section 502(a)(3) for the purchase of a dwelling located on land owned by a community land trust, the Secretary shall determine any appreciation of the dwelling based on any agreement between the borrower and the community land trust that limits the sale price or appreciation of the dwelling.".

SEC. 703. MAXIMUM INCOME OF BORROWERS UNDER GUARANTEED LOANS.

Section 502(h)(2) of the Housing Act of 1949 (42 U.S.C. 1472(h)(2)) is amended by inserting "115 percent of" after "exceed".

SEC. 704. REMOTE RURAL AREAS.

Section 502(f) of the Housing Act of 1949 (42 U.S.C. 1472(f)) is amended—

(1) in paragraph (1), by inserting "or on tribal allotted or Indian trust land" after "area"; and

(2) in paragraph (2), by inserting "or on tribal allotted or Indian trust land" before the period.

SEC. 705. DESIGNATION OF UNDERSERVED AREAS AND RESERVATION OF ASSISTANCE.

(a) REAUTHORIZATION OF DESIGNATION.—Section 509(f) of the Housing Act of 1949 (42 U.S.C. 1479(f)) is amended—

(1) in paragraph (1), by striking "in each of fiscal years 1991 and 1992" and inserting "in each fiscal year";

(2) in paragraph (2), by inserting at the end the following new flush sentence:

"In designating underserved areas under paragraph (1), in each fiscal year the Secretary shall designate not less than 5 counties or communities that contain tribal allotted or Indian trust land."; and

(3) in paragraph (4), by striking "an amount equal to 3.5 percent in fiscal year 1991 and 5.0 percent in fiscal year 1992" and inserting "an amount equal to 5.0 percent in fiscal year 1993".

(b) DEFINITION OF COLONIAS.—Section 509(f)(8) of the Housing Act of 1949 (42 U.S.C. 1479(f)(8)) is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) by striking subparagraph (E) and inserting the following new subparagraph:

"(D) was in existence as a colonia before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act.".

SEC. 706. RURAL HOUSING VOUCHER DEMONSTRATION.

Section 513(e)(1) of the Housing Act of 1949 (42 U.S.C. 1483(e)(1)) is amended—

(1) in the first sentence, by striking "fiscal years 1988 and 1989" and inserting "fiscal year 1993"; and

(2) in the second sentence, by striking "in not more than 5 States during each such fiscal year".

SEC. 707. RENTAL HOUSING LOANS.

(a) EXTENSION OF LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

(b) DEVELOPMENT COSTS.—Section 515(e)(4) of the Housing Act of 1949 (42 U.S.C. 1485(e)(4)) is amended—

(1) by striking "and" before "initial";

(2) by inserting before the first period the following: ", impact fees, local charges for installation, provision, or use of infrastructure, and local assessments for public improvements and services imposed by State and local governments"; and

(3) by inserting after the period at the end the following new sentence: "Notwithstanding the first sentence of this paragraph, the term 'development cost' shall not include, with respect to any nonprofit corporation or consumer cooperative financing housing under this section for which units have been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986, any initial operating expenses.".

(c) COORDINATION OF LOANS AND RENTAL ASSISTANCE PAYMENTS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended—

(1) in subsection (l), by striking paragraph (1) and inserting the following new paragraph:

"(1) in the case of any applicant who applies for rental assistance payments under section 521 in connection with such project, the Secretary shall consider the availability of such rental assistance payments with respect to the project and shall require such applicant to demonstrate that a market exists for persons and families eligible for such rental assistance payments; and"; and

(2) in subsection (p), by inserting at the end the following new paragraph:

"(5) The Secretary shall coordinate the processing of any application for a loan under this section for a project and the processing of any application for assistance under section 521(a)(2) with respect to housing units in the same project in an economical and efficient manner. At the time the Secretary enters into a commitment to make or insure a loan under this section the Secretary shall obligate amounts for assistance payments under section 521(a)(2) for the project, to the extent that such amounts are available and the Secretary determines such assistance is necessary for the market feasibility of the project.".

(d) LOW-INCOME HOUSING TAX CREDIT.—Section 515(p)(4) of the Housing Act of 1949 (42 U.S.C. 1485(p)(4)) is amended by striking ", except" in the first sentence and all that follows through the end of the paragraph and inserting a period.

(e) USE OF SET-ASIDE FUNDS.—Section 515(w) of the Housing Act of 1949 (42 U.S.C. 1485(w)) is amended—

(1) in paragraph (1)—

(A) by striking "1992" and inserting "1993"; and

(B) by striking the last sentence; and

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

"(4) USE OF FUNDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), amounts set aside under this subsection shall be available only for nonprofit entities in the State, which may not be wholly or partially owned or controlled by a for-profit entity or under whole or partial control with a for-profit entity.

"(B) EXCEPTION.—Amounts set aside under this subsection may be used for making loans for projects that—

"(i) are sponsored by nonprofit entities in conjunction with a limited partnership of which the nonprofit is the general partner; and

"(ii) have been allocated a low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986 that has been reserved for use by nonprofit entities by the housing credit agency.".

(f) GRANTS FOR COSTS OF PROVIDING SERVICE COORDINATORS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended by adding at the end the following new subsection:

"(x) SERVICE COORDINATORS.—

"(1) GRANTS.—The Secretary may make grants under this subsection, with respect to any project that the Secretary determines has a sufficient number of frail elderly residents, for the cost of employing or otherwise retaining the services of one or more individuals to coordinate services provided to frail elderly residents of the project (in this subsection referred to as a 'service coordinator'), who shall be responsible for—

"(A) assessing the supportive service needs of frail elderly residents of the project, based on objective criteria and interviews with such residents;

"(B) working with service providers to design the provision of services to meet the needs of frail elderly residents of the project, taking into consideration the needs and desires of such residents and their ability and willingness to pay for such services, as expressed by the residents;

"(C) mobilizing public and private resources to obtain funding for such services for such residents;

"(D) monitoring and evaluating the impact and effectiveness of any supportive services provided for such residents;

"(E) consulting and coordinating with any appropriate public and private agencies regarding the provision of supportive services; and

"(F) performing such other duties that the Secretary deems appropriate to enable frail elderly persons residing in federally assisted housing to live with dignity and independence.

"(2) QUALIFICATIONS.—Individuals employed as service coordinators pursuant to this subsection shall meet the minimum qualifications and standards established under section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act for service coordinators under a congregate housing services program.

"(3) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection and for the selection of applicants to receive the grants.

"(4) DEFINITION OF FRAIL ELDERLY.—For purposes of this subsection, the term 'frail elderly' has the meaning given the term in section 802(k) of the Cranston-Gonzalez National Affordable Housing Act.".

(g) PROHIBITIONS REGARDING CONSIDERATIONS IN MAKING LOANS.—

(1) IN GENERAL.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended by adding after subsection (x) (as added by subsection (f) of this section) the following new subsection:

"(y) PROHIBITIONS.—

"(1) REMOTE RURAL AREAS.—The Secretary may not refuse to make a loan that otherwise complies with the requirements under this section solely because the housing and related facilities involved are located in an area that is excessively rural in character or excessively remote.

"(2) ESSENTIAL SERVICES.—In making loans under this section, the Secretary may not provide any preference for any project based on the availability of any particular essential service. For purposes of this paragraph, an essential service shall include post offices (and postal services), grocery stores, pharmacies, schools, and health service facilities (and health services).

"(3) GEOGRAPHIC LOCATION.—In making loans under this section, the Secretary may not grant or deny approval based on the geographic location of the proposed project if the project is located in a rural area, as such term is defined in section 520, except that the Secretary shall give preference to any application for a project that will serve the needs of a rural community located 20 or more miles from an urban area.".

(2) REGULATIONS.—The Secretary of Agriculture shall issue any regulations necessary to

carry out the amendment made by paragraph (1) not later than the expiration of the 45-day period beginning on the date of the enactment of this Act. Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary shall submit a copy of any regulations to be issued under this subsection to the Congress. The requirements of section 534(d) of the Housing Act of 1949 shall apply to any such regulations, but such regulations shall not be subject to the requirements of subsections (b) and (c) of section 553 of title 5, United States Code.

SEC. 708. CONSIDERATION OF CERTAIN AREAS AS RURAL AREAS.

Section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by adding at the end the following new sentence: "Notwithstanding any other provision of this section, the city of Plainview, Texas, shall be considered a rural area for purposes of this title.".

SEC. 709. EXTENSION OF AUTHORITY FOR MUTUAL AND SELF-HELP HOUSING GRANTS AND LOANS.

Section 523(f) of the Housing Act of 1949 (42 U.S.C. 1490c(f)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

SEC. 710. HOUSING PRESERVATION GRANTS FOR REPLACEMENT OF HOUSING.

Section 533 of the Housing Act of 1949 (42 U.S.C. 1490m) is amended—

(1) in subsection (a)—

(A) by inserting "or replace" after "rehabilitate" each place it appears; and

(B) in the second sentence, by inserting "or replaced" after "rehabilitated";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "Rehabilitation programs" and inserting "Preservation programs";

(B) in paragraph (3), by inserting "or replacement" after "rehabilitation" each place it appears;

(C) in paragraph (4), by striking "repair and rehabilitation" and inserting "repair, rehabilitation, and replacement";

(D) by redesignating paragraphs (2) through (6) (as amended by this paragraph) as paragraphs (3) through (7), respectively; and

(E) by inserting after paragraph (1) the following new paragraph:

"(2) be used to provide loans or grants, not to exceed $15,000, to owners of single family housing to replace existing housing if repair or rehabilitation of the housing is determined by the Secretary not to be practicable and the owner of the housing is unable to afford a loan under section 502 for replacement housing;";

(3) in the first sentence of subsection (c)(1), by striking "rehabilitation grant funds" and inserting "grant funds under this section"; and

(4) in subsection (d)—

(A) in paragraph (1), by striking "rehabilitation program" and inserting "preservation program";

(B) in paragraphs (3)(A), (3)(B), (3)(D), by striking "repair and rehabilitation" each place it appears and inserting "repair, rehabilitation, and replacement";

(C) in paragraph (4), by inserting ", or replacement," after "repair and rehabilitation"; and

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

"(5) A grantee may use housing preservation grant funds under this section for replacement housing only after providing documentation to the Secretary that—

"(A) the existing housing is in such poor condition that rehabilitation is not economically feasible;

"(B) the owner of the housing lacks the income or repayment ability necessary to qualify for a loan under section 502; and

"(C) the grantee will extend assistance to the owner of the housing under terms that the owner can afford.".

TITLE VIII—COMMUNITY DEVELOPMENT

Subtitle A—Community Development Block Grants

SEC. 801. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANTS.—The second sentence of section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended to read as follows: "For purposes of assistance under section 106, there are authorized to be appropriated $3,402,880,000 for fiscal year 1993.".

(b) LIMITATION ON LOAN GUARANTEES.—The fifth sentence of section 108(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(a)) is amended to read as follows: "Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this section, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this section with an aggregate principal amount of $312,000,000.".

(c) SPECIAL PURPOSE GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by striking "SEC. 107. (a)" and all that follows through the end of subsection (a) and inserting the following:

"SEC. 107. (a) SET-ASIDE.—

"(1) IN GENERAL.—For each fiscal year (except as otherwise provided in this paragraph), of the total amount provided in appropriation Acts under section 103 for the fiscal year, the following amounts shall be set aside for grants under subsection (b) for such year for the following purposes:

"(A) $7,280,000 shall be available for grants under subsection (b)(1);

"(B) $6,760,000 shall be available for grants under subsection (b)(3);

"(C) $3,120,000 shall be available for grants under subsection (c);

"(D) such sums as may be necessary shall be available for grants under paragraphs (2), (4), (5), and (6) of subsection (b); and

"(E) such sums as may be necessary shall be available in fiscal year 1993 for a grant to the City of Bridgeport, Connecticut, subject to the approval of sufficient amounts in an appropriation Act and to binding commitments made by the City of Bridgeport and the State of Connecticut that the city and State, respectively, will supplement such amount with $2,000,000 of additional funds.

"(2) TREATMENT OF GRANTS.—Any grants made under this section shall be in addition to any other grants that may be made under this title to the same entities for the same purposes.".

SEC. 802. UNITS OF GENERAL LOCAL GOVERNMENT.

(a) DEFINITION.—Section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)) is amended by striking "recognized by the Secretary" and inserting the following: "that, except as provided in section 106(d)(4), is recognized by the Secretary".

(b) GRANTS TO NONENTITLEMENT AREAS.—Section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)) is amended by inserting after paragraph (3) the following new paragraph:

"(4) Any combination of units of general local governments may not be required to obtain recognition by the Secretary pursuant to section 102(a)(1) to be treated as a single unit of general local government for purposes of this subsection.".

SEC. 803. URBAN COUNTIES.

Section 102(a)(6)(D) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(6)(D)) is amended—

(1) in clause (iii), by striking "or" at the end;

(2) in clause (iv), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(v)(I) has a population of 175,000 or more (including the population of metropolitan cities therein), (II) before January 1, 1975, was designated by the Secretary of Defense pursuant to section 608 of the Military Construction Authorization Act, 1975 (Public Law 93-552; 88 Stat. 1763), as a Trident Defense Impact Area, and (III) has located therein not less than 1 unit of general local government that was classified as a metropolitan city and (a) for which county each such unit of general local government therein has relinquished its classification as a metropolitan city under the 6th sentence of paragraph (4), or (b) that has entered into cooperative agreements with each metropolitan city therein to undertake or to assist in the undertaking of essential community development and housing assistance activities.".

SEC. 804. RETENTION OF PROGRAM INCOME.

The first sentence of section 104(j) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(j)) is amended—

(1) by striking "while the unit of general local government is participating in a community development program under this title"; and

(2) by inserting before the period at the end the following: "; except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government".

SEC. 805. STATE COMMUNITY DEVELOPMENT PLANS AND REPORTS.

(a) IN GENERAL.—Subsection (l) of section 104 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(l)), as added by section 922 of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) by striking "(l)" and inserting "(m)";

(2) in paragraph (1), by striking "needs and strategies for meeting those needs" and inserting "and infrastructure needs, strategies for meeting such needs, and the priority for addressing such needs".

(3) in paragraph (4), by striking "this subsection" and inserting "paragraph (1)";

(4) by redesignating paragraph (4) (as so amended) as paragraph (6); and

(5) by inserting after paragraph (3) the following new paragraphs:

"(4) STATE COORDINATION OF LOCAL NEEDS.—Each State that receives a grant under section 831(d) of the Housing and Community Development Act of 1992 shall annually submit to the Secretary a report containing a summary of—

"(A) the community development and infrastructure needs within the State; and

"(B) the strategies to be used by the State to meet such needs in an efficient and coordinated manner.

"(5) REPORTS BY SECRETARY.—The Secretary shall annually submit to the Committees on Banking, Finance and Urban Affairs of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate, a report containing a summary of the information submitted for the year by States pursuant to paragraph (4), which shall describe—

"(A) the community development and infrastructure needs within the United States;

"(B) the strategies to be used by the States to meet such needs in an efficient and coordinated manner; and

"(C) a strategy for the Federal Government to assist States (under this title and otherwise) in

meeting such needs in an efficient and coordinated manner.".

(b) CONFORMING AMENDMENTS.—Section 104(b)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(4)) is amended—

(1) by inserting "pursuant to subsection (m)" before the first comma;

(2) by striking "and housing"; and

(3) by striking "that have been" and all that follows through "title".

SEC. 806. ELIGIBLE ACTIVITIES.

(a) ADDITIONAL ELIGIBLE ACTIVITIES.—Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (8), by inserting before the semicolon at the end the following: ", and except that of any amount of assistance under this title (including program income) in each of fiscal years 1993 through 1997 to the City of Los Angeles and County of Los Angeles, each such unit of general government may use not more than 25 percent in each such fiscal year for activities under this paragraph";

(2) in paragraph (19), by striking "and" at the end;

(3) by redesignating paragraph (20) as paragraph (22); and

(4) by inserting after paragraph (19) the following new paragraphs:

"(20) provision of assistance by recipients under this title to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;

"(21) provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by—

"(A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, expansion of microenterprises;

"(B) providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in small business activities) to owners of microenterprises and persons developing microenterprises; and

"(C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises; and".

(b) DIRECT HOMEOWNERSHIP ASSISTANCE.—Section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5305 note) is amended—

(1) by striking "October 1, 1992" and inserting "October 1, 1993"; and

(2) by striking "(or" and all that follows through "Act)".

(c) MICROENTERPRISES.—

(1) DEFINITION OF MICROENTERPRISE.—Section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) is amended by adding at the end the following new paragraph:

"(22) The term 'microenterprise' means a commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise.".

(2) SENSE OF THE CONGRESS.—It is the sense of the Congress that each grantee under the community development block grant program under title I of the Housing and Community Development Act of 1974 should reserve 1 percent of any grant amounts the grantee receives in each fiscal year for the purpose of providing assistance under section 105(a)(21) of such Act to facilitate economic development through commercial microenterprises.

(d) CONFORMING AMENDMENTS.—Section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5305 note) is amended—

(1) in subparagraph (A), by striking "(18)" and inserting "(20)";

(2) in subparagraph (B), by striking "(19)" and inserting "(21)"; and

(3) in subparagraph (C), by striking "(20)" and inserting "(22)".

SEC. 807. SPECIAL PURPOSE GRANTS.

(a) TECHNICAL ASSISTANCE GRANTS.—Section 107(b)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(b)(4)) is amended by inserting before the first semicolon the following: "(which may include the provision of technical assistance by States to units of general local government assisted by the States under section 106(d))".

(b) OTHER PURPOSES.—Section 107(b) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(b)) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

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

"(5) to States and units of general local government and institutions of higher education having a demonstrated capacity to carry out eligible activities under this title; except that the Secretary may make a grant under this paragraph only to a State or unit of general local government that jointly, with an institution of higher education, has prepared and submitted to the Secretary an application for such grant, as the Secretary shall by regulation require; and

"(6) in each of fiscal years 1993 through 1998, to units of general local government in nonentitlement areas for planning community adjustments and economic diversification activities, which may include any eligible activities under section 105, required—

"(A) by the proposed or actual establishment, realignment, or closure of a military installation,

"(B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, or

"(C) by a publicly-announced planned major reduction in Department of Defense spending that would directly and adversely affect a unit of general local government and will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a 5-year period in the unit of general local government and the surrounding area, or

if the Secretary (in consultation with the Secretary of Defense) determines that an action described in subparagraph (A), (B), or (C) is likely to have a direct and significant adverse consequence on the unit of general local government.".

(c) REGULATIONS.—Not later than the expiration of the 60-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue proposed regulations to carry out section 107(b)(6) of the Housing and Community Development Act of 1974, as added by subsection (b)(3) of this section. The Secretary shall issue final regulations to carry out such section 107(b)(6) not later than the expiration of the 120-day period beginning on the date of the enactment of this Act and after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). Such final regulations shall take effect 30 days after issuance.

SEC. 808. TECHNICAL AMENDMENTS.

Section 104(b)(2) and section 106(d)(5)(B) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(2), 5306(d)(5)(B)) are each amended by striking "Public Law 88-352 and Public Law 90-284" and inserting "the Civil Rights Act of 1964 and the Civil Rights Act of 1968".

SEC. 809. ASSISTANCE FOR COLONIAS.

(a) ELIGIBLE ACTIVITIES.—Section 916(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended to read as follows:

"(b) ELIGIBLE ACTIVITIES.—Assistance distributed pursuant to this section may be used only for the acquisition, construction, reconstruction, rehabilitation, or installation of public water projects and public sewage projects, including any activities necessary to furnish water and sewage services to persons of low- or moderate-income.".

(b) DEFINITION OF COLONIA.—Section 916(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) by striking subparagraph (E) and inserting the following new subparagraph:

"(D) was in existence as a colonia before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act.".

Subtitle B—Other Community Development Programs

SEC. 831. COMPUTERIZED DATABASE OF COMMUNITY DEVELOPMENT NEEDS.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, establish and implement a program to assist States and units of general local government to develop methods, utilizing contemporary computer technology, to—

(1) monitor, inventory, and maintain current listings of the community development and infrastructure needs of the States and units of general local government;

(2) coordinate strategies within States (especially among various units of general local government) for meeting such needs; and

(3) coordinate strategies among States for meeting such needs.

(b) INTEGRATED DATABASE SYSTEM AND COMPUTER MAPPING TOOL.—

(1) DEVELOPMENT AND PURPOSES.—In carrying out the program under this section, the Secretary shall provide for the development of an integrated database system and computer mapping tool designed to efficiently (A) collect, store, process, and retrieve information relating to community development and infrastructure needs within States, and (B) coordinate strategies for meeting such needs. The integrated database system and computer mapping tool shall be designed in a manner to coordinate and facilitate the preparation of community development plans under section 104(m)(1) of the Housing and Community Development Act of 1974 and to process any information necessary for such plans.

(2) AVAILABILITY TO STATES.—The Secretary shall make the integrated database system and computer mapping tool developed pursuant to this subsection available to States without charge.

(c) TECHNICAL ASSISTANCE.—Under the program under this section, the Secretary shall provide consultation and advice to States and units of general local government regarding the capabilities and advantages of the integrated database system and computer mapping tool developed pursuant to subsection (b) and assist-

ance in installing and using the database system and mapping tool.

(d) GRANTS.—

(1) AUTHORITY AND PURPOSE.—The Secretary shall, to the extent amounts are made available under appropriation Acts pursuant to subsection (e), make grants to States for capital costs relating to installation and use of the integrated database system and computer mapping tool developed pursuant to subsection (b).

(2) LIMITATIONS.—The Secretary may not make more than one grant under this subsection to any single State. The Secretary may not make a grant under this subsection to any single State in an amount exceeding $1,000,000.

(3) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection. The Secretary shall establish criteria for the selection of States to receive grants under this section and shall select recipients according to such criteria, which shall give priority to States having, on a long-term basis (as determined by the Secretary), levels of unemployment above the national average level.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1993—

(1) such sums as may be necessary for the Secretary to carry out the program established under this section; and

(2) such sums as may be necessary for grants to States under subsection (d).

SEC. 832. NEIGHBORHOOD REINVESTMENT CORPORATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 608(a)(1) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8107(a)) is amended by to read as follows: "There is authorized to be appropriated to the corporation to carry out this title $37,960,000 for fiscal year 1993.".

(b) EXPANDED PROGRAMS.—The matter preceding subparagraph (A) of section 608(a)(2) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8107(a)(2)) is amended by striking "each of the fiscal years 1991 and 1992" and inserting "any fiscal year".

SEC. 833. NEIGHBORHOOD DEVELOPMENT DEMONSTRATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended to read as follows:

"(g) There is authorized to be appropriated to carry out this section $2,080,000 for fiscal year 1993.".

(b) PERMANENT PROGRAM.—Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) by striking the section heading and inserting the following new heading:

"JOHN HEINZ NEIGHBORHOOD DEVELOPMENT PROGRAM";

(2) by striking "demonstration program" each place it appears and inserting "program";

(3) in subsection (b)(1), by striking "determine the feasibility of supporting" and inserting "support";

(4) in subsection (e)(6)—

(A) in subparagraph (C), by inserting "and" after the semicolon at the end;

(B) by striking subparagraph (D);

(C) by redesignating subparagraph (E) as subparagraph (D); and

(D) in subparagraph (D), as so redesignated, by striking "demonstration" and inserting "program";

(5) by striking subsection (f) and inserting the following new subsection:

"(f) The Secretary shall submit a report to the Congress, not later than 3 months after the end of each fiscal year in which payments are made under this section, regarding the program under this section. The report shall contain a summary of the activities carried out under this section during such fiscal year and any findings, conclusions, and recommendations for legislation regarding the program."; and

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

"(h) SHORT TITLE.—This section may be cited as the 'John Heinz Neighborhood Development Act'.".

(c) COMPLIANCE WITH CHAS AND COMMUNITY DEVELOPMENT PLANS.—Section 123(e)(5)(A) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended by striking "housing and community development plans of such unit" and inserting "comprehensive housing affordability strategy of such unit approved under section 105 of the Cranston-Gonzalez National Affordable Housing Act or the statement of community development activities and community development plans of the unit submitted under section 104(m) of the Housing and Community Development Act of 1974".

(d) ELIGIBLE NEIGHBORHOOD DEVELOPMENT ORGANIZATION.—Section 123(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) in subparagraph (A), by inserting "(i)" after "(A)";

(2) in subparagraph (E), by striking the period at the end and inserting "; or";

(3) by redesignating subparagraphs (B) through (E) as clauses (ii) through (v), respectively; and

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

"(B) any facility that provides small entrepreneurial business with affordable shared support services and business development services and meets the requirements of subparagraph (A).".

(e) DEFINITIONS.—Section 123(a) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) by striking subparagraph (2)(A)(iv) (as so redesignated by subsection (d) of this section) and inserting the following new clause:

"(iv) an organization that operates within an area that—

"(I) meets the requirements for Federal assistance under section 119 of the Housing and Community Development Act of 1974;

"(II) is designated as an enterprise zone under Federal law;

"(III) is designated as an enterprise zone under State law and recognized by the Secretary for purposes of this section as a State enterprise zone; or

"(IV) is a qualified distressed community within the meaning of section 233(b)(1) of the Bank Enterprise Act of 1991; and";

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting before paragraph (4) (as so redesignated) the following new paragraph:

"(3) The term 'neighborhood development funding organization' means—

"(A) a depository institution the accounts of which are insured pursuant to the Federal Deposit Insurance Act or the Federal Credit Union Act, and any subsidiary (as such term is defined in section 3(w) of the Federal Deposit Insurance Act) thereof;

"(B) a depository institution holding company and any subsidiary thereof (as such term is defined in section 3(w) of the Federal Deposit Insurance Act); or

"(C) a company at least 75 percent of the common stock of which is owned by one or more insured depository institutions or depository institution holding companies.".

(f) COORDINATION WITH COMMUNITY DEVELOPMENT FUNDING ORGANIZATIONS.—Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) in subsection (b)(1), by inserting ", and from neighborhood development funding organizations," after "neighborhoods";

(2) in subsection (b)(3)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period and inserting the following: ", especially in cooperation with a neighborhood development funding organization, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the cooperation of a neighborhood development funding organization if the eligible neighborhood development organization—

"(i) is located in an area described in subsection (a)(2)(A)(iv) that does not contain a neighborhood development funding organization; or

"(ii) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the cooperation of any neighborhood development funding organization in such area despite having made a good faith effort to obtain such cooperation; and"; and

(C) by adding at the end the following new subparagraph:

"(D) specify a strategy for increasing the capacity of the organization.";

(3) in subsection (c)(3), by inserting before the semicolon the following: "and by the extent of participation in the proposed activities by a neighborhood development funding organization that has a branch or office in the neighborhood, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the participation of a neighborhood development funding organization if the eligible neighborhood development organization—

"(A) is located in an neighborhood that does not contain a branch or office of a neighborhood development funding organization; or

"(B) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the participation of any neighborhood development funding organization that has a branch or office in the neighborhood despite having made a good faith effort to obtain such participation"; and

(4) in subsection (e)(1), by inserting ", and from neighborhood development funding organizations," after "neighborhood".

(g) ADMINISTRATIVE CHANGES.—Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) in subsection (a)(2)(A)(iii), as so redesignated by subsection (d) of this section, by striking "three years" and inserting "one year";

(2) in subsection (b)(2), by striking "Not more than 30 per centum" and inserting "For fiscal year 1993 and thereafter, not more than 50 percent"; and

(3) in subsection (c)(4), by striking "available" and all that follows through "meritorious".

(h) EFFECTIVE DATE.—The amendments made by subsections (e) and (f) shall take effect upon the effective date of the Bank Enterprise Act of 1991.

SEC. 834. STUDY REGARDING HOUSING TECHNOLOGY RESEARCH.

(a) STUDY.—The Secretary of Housing and Urban Development, through the Assistant Secretary for Policy Development and Research, shall conduct a study of—

(1) the extent of Federal, other public, and private basic research in the United States in housing technology, including design and construction techniques and methodology, smart building technology, area and neighborhood planning, and other areas relating to the preservation and production of affordable housing and livable communities;

(2) the extent of competitiveness of the United States in the field of basic housing technology research in comparison with other countries that are substantially involved in trade with the United States, taking into consideration the balance of trade, the degree of government support of private research activities, and the degree of fragmentation of research; and

(3) the types of research projects regarding basic housing technology conducted by such other countries, the results of such research, and the extent of success in applying and marketing such results.

(b) REPORT.—The Secretary of Housing and Urban Development shall submit a report to the Congress describing the results of the study conducted under this section not later than March 30, 1993.

SEC. 835. DESIGNATION OF ENTERPRISE ZONES.

(a) IN GENERAL.—Section 701 of the Housing and Community Development Act of 1987 (42 U.S.C. 11501) is amended—

(1) in subsection (a)(4)(B), by striking "the effective date of the regulations described in subparagraph (A) occurs" and inserting "the date of the enactment of the Housing and Community Development Act of 1992 occurs"; and

(2) in subsection (c)(3)(B), by striking "this Act" and inserting "the Housing and Community Development Act of 1992".

(b) REPORT.—Section 702 of the Housing and Community Development Act of 1987 (42 U.S.C. 11502) is amended by inserting "pursuant to the amendments made by section 835 of the Housing and Community Development Act of 1992" before the first comma.

TITLE IX—REGULATORY AND MISCELLANEOUS PROGRAMS

SEC. 901. HUD RESEARCH AND DEVELOPMENT.

Section 501 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1) is amended by striking the second sentence and all that follows and inserting the following new sentence: "There is authorized to be appropriated to carry out this title $22,984,000 for fiscal year 1993.".

SEC. 902. ADMINISTRATION OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) SPECIAL ASSISTANT FOR INDIAN AND ALASKA NATIVE PROGRAMS.—

(1) RESPONSIBILITIES.—Section 4(e)(1) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(e)(1)) is amended—

(A) by inserting "(A)" after "(1)";

(B) in the first sentence, by striking ", who" and all that follows through "development"; and

(C) by adding at the end the following new subparagraphs:

"(B) The Special Assistant for Indian and Alaska Native Programs shall be responsible for—

"(i) administering, in coordination with the relevant office in the Department, the provision of housing assistance to Indian tribes or Indian housing authorities under each program of the Department that provides for such assistance;

"(ii) administering the community development block grant program for Indian tribes under title I of the Housing and Community Development Act of 1974 and the provision of assistance to Indian tribes under such Act;

"(iii) directing, coordinating, and assisting in managing any regional offices of the Department that administer Indian programs to the extent of such programs; and

"(iv) coordinating all programs of the Department relating to Indian and Alaska Native housing and community development.

"(C) To the extent practicable, in employing any staff for the office of the Special Assistant for Indian and Alaska Native Programs and to conduct activities of regional offices relating to Indian programs, the Secretary shall give preference to individuals who are Indians.

"(D) The Secretary shall include in the annual report under section 8 a description of the extent of the housing needs for Indian families and community development needs of Indian tribes in the United States and the activities of the Department, and extent of such activities, in meeting such needs.".

(2) TRANSFER OF FUNCTIONS.—Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer to the Special Assistant for Indian and Alaska Native Programs any functions and duties described in section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as amended by paragraph (1) of this subsection).

(3) STAFF.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer from offices within the Department of Housing and Urban Development to the office of the Special Assistant for Indian and Alaska Native Programs such staff, having experience and capacity to administer Indian housing and community development programs, as may be necessary and appropriate to assist the Special Assistant in carrying out the responsibilities under section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as amended by paragraph (1) of this subsection).

(b) AVOIDANCE OF FORECLOSURE ON MORTGAGES HELD BY SECRETARY.—Section 7(i) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(i)) is amended—

(1) in paragraph (5), by inserting before the semicolon the following: "; except that with respect to any mortgage held by the Secretary, the Secretary shall, subject to the availability of amounts provided in appropriation Acts, implement the authority under this paragraph to reduce the interest rate on the mortgage to a rate not less than the rate for recently issued marketable obligations of the Treasury having a comparable maturity if (and to the extent that) such a reduction, when taken together with other actions authorized under the National Housing Act, is necessary to avoid foreclosure on the mortgage; and except that for any mortgage for which the interest rate is reduced pursuant to an appropriation under the preceding clause, if the Secretary determines that the income or ability of the mortgagor to make interest payments has increased, the Secretary may (not more than once for each such mortgage) increase such interest rate to a rate not exceeding the prevailing market rate, as determined by the Secretary"; and

(2) in paragraph (6), by inserting before the period the following: ", including any provisions relating to the authority or requirements under paragraph (5)".

(c) NEGOTIATED RULEMAKING PROCEDURE.—Section 7(o) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(o)) is amended—

(1) by redesignating paragraph (7) as paragraph (5); and

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

"(6) In developing and issuing any rule or regulation of the Department, the Secretary shall consider using (under section 583 of title 5, United States Code; as added by section 3(a) of the Negotiated Rulemaking Act of 1990) the negotiated rulemaking procedures under subchapter IV of such title (as added by such section 3(a)) and shall use such procedures unless the Secretary determines that use of such procedures is not in the public interest.".

(d) PROGRAM MONITORING AND EVALUATION.—The first sentence of section 7(r)(6) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(r)(6)) is amended to read as follows: "There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1993.".

SEC. 903. PARTICIPANT'S CONSENT TO RELEASE OF INFORMATION.

(a) IN GENERAL.—Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544) is amended by adding at the end the following new subsection:

"(e) CONDITIONS OF RELEASE OF INFORMATION BY THIRD PARTIES.—An applicant or participant under any program of the Department of Housing and Urban Development may not be required or requested to consent to the release of information by third parties as a condition of initial or continuing eligibility for participation in the program unless—

"(1) the request for consent is made, and the information secured is maintained, in accordance with this section, section 552a of title 5, United States Code; and

"(2) the consent that is requested is appropriately limited, with respect to time and information relevant and necessary to meet the requirements of this section.".

(b) FORMS.—

(1) NEW FORM.—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall develop a release form that meets the requirements of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by this section. In developing the form, the Secretary shall consult with interested parties, which shall include not less than 2 representatives of public housing agencies, 1 representative of a national tenant organization, 1 representative of a State tenant organization, and 1 representative of a legal group representing tenants.

(2) EFFECT OF OLD FORM.—During the period beginning upon the date of the enactment of this Act and ending upon implementation of the use of the form developed under paragraph (1), the benefits provided to an applicant or participant under any program of the Department of Housing and Urban Development, or eligibility for such benefits, may not be terminated, denied, suspended, or reduced because of any failure to sign any form authorizing the release of information from any third party (including Form HUD-9886), if the applicant or participant otherwise discloses all financial information relating to the application or recertification.

SEC. 904. NATIONAL INSTITUTE OF BUILDING SCIENCES.

(a) TECHNICAL CORRECTION TO HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.—Section 809 of the Housing and Community Development Act of 1974 (12 U.S.C. 1701j-2) is amended—

(1) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(2) by inserting after subsection (g) the material inserted by the amendment made by section 952(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4418).

(b) TECHNICAL CORRECTION TO NATIONAL HOUSING ACT.—Section 809 of the National Housing Act is amended by striking subsection (h) (as added by section 952(b) of the Cranston-Gonzalez National Affordable Housing Act).

SEC. 905. FAIR HOUSING INITIATIVES PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 561(d) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616 note) is amended to read as follows: "There is authorized to be appropriated to carry out the provisions of this section, including any program evaluations, $6,552,000 for fiscal year

1993, of which such sums as may be necessary shall be for education and outreach activities.".

(b) EXTENSION OF PROGRAM.—Section 561(e) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616 note) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

SEC. 906. NATIONAL COMMISSION ON MANUFACTURED HOUSING.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 943(f) of the Cranston-Gonzalez National Affordable Housing Act is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 1993. Any amounts appropriated pursuant to this section shall remain available until expended.".

(b) EXTENSION OF TERMINATION DATE.—Section 943(g) of the Cranston-Gonzalez National Affordable Housing Act is amended by striking "upon the expiration of the 9 months following the appointment of all the members under subsection (c)" and inserting "on October 1, 1993".

(c) STAFF.—Section 943(e) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 44134) is amended by adding at the end the following new paragraph:

"(7) STAFF.—

"(A) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which may not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

"(B) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as the Commission deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(C) LIMITATION.—This paragraph shall be effective only to the extent amounts for the executive director or personnel are made available in appropriation Acts.".

SEC. 907. REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974.

(a) APPLICABILITY TO MORTGAGE ORIGINATION.—Section 3(3) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602(3)) is amended by inserting after "broker," the following: "the origination of a federally related mortgage loan (including, but not limited to, the taking of loan applications, loan processing, and the underwriting and funding of loans),".

(b) APPLICABILITY TO SECOND MORTGAGES AND REFINANCINGS.—Section 3(1)(A) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602(1)(A)) is amended—

(1) by inserting "or subordinate" after "first"; and

(2) by inserting before the semicolon the following: ", including any loan secured by a subordinate lien, the proceeds of which are used to make payments under, or prepay, a prior loan secured by a senior lien on the same property".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue regulations to implement the amendments made by this section not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

SEC. 908. DISCLOSURES UNDER THE HOME MORTGAGE DISCLOSURE ACT OF 1975.

(a) IN GENERAL.—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended by adding at the end the following new subsections:

"(j) LOAN APPLICATION REGISTER INFORMATION.—

"(1) IN GENERAL.—In addition to the information required to be disclosed under subsections (a) and (b), any depository institution which is required to make disclosures under this section shall make available to the public, upon request, loan application register information (as defined by the Board by regulation) in the form required under regulations prescribed by the Board.

"(2) FORMAT OF DISCLOSURE.—

"(A) UNEDITED FORMAT.—Subject to subparagraph (B), the loan application register information described in paragraph (1) may be disclosed by a depository institution without editing or compilation and in the format in which such information is maintained by the institution.

"(B) PROTECTION OF APPLICANT'S PRIVACY INTEREST.—The Board shall require, by regulation, such deletions as the Board may determine to be appropriate to protect—

"(i) any privacy interest of any applicant, including the deletion of the applicant's name and identification number, the date of the application, and the date of any determination by the institution with respect to such application; and

"(ii) a depository institution from liability under any Federal or State privacy law.

"(C) CENSUS TRACT FORMAT ENCOURAGED.—It is the sense of the Congress that a depository institution should provide loan register information under this section in a format based on the census tract in which the property is located.

"(3) CHANGE OF FORM NOT REQUIRED.—A depository institution meets the disclosure requirement of paragraph (1) if the institution provides the information required under such paragraph in the form in which the institution maintains such information.

"(4) REASONABLE CHARGE FOR INFORMATION.—Any depository institution which provides information under this subsection may impose a reasonable fee for any cost incurred in reproducing such information.

"(5) TIME OF DISCLOSURE.—The disclosure of the loan application register information described in paragraph (1) for any year pursuant to a request under paragraph (1) shall be made—

"(A) in the case of a request made on or before March 1 of the succeeding year, before April 1 of the succeeding year; and

"(B) in the case of a request made after March 1 of the succeeding year, before the end of the 30-day period beginning on the date the request is made.

"(6) RETENTION OF INFORMATION.—Notwithstanding subsection (c), the loan application register information described in paragraph (1) for any year shall be maintained and made available, upon request, for 3 years after the close of the 1st year during which such information is required to be maintained and made available.

"(7) MINIMIZING COMPLIANCE COSTS.—In prescribing regulations under this subsection, the Board shall make every effort to minimize the costs incurred by a depository institution in complying with this subsection and such regulations.

"(k) DISCLOSURE OF STATEMENTS BY DEPOSITORY INSTITUTIONS.—

"(1) IN GENERAL.—In accordance with procedures established by the Board pursuant to this section, any depository institution required to make disclosures under this section—

"(A) shall make a disclosure statement available, upon request, to the public no later than 3 business days after the institution receives the statement from the Federal Financial Institutions Examination Council; and

"(B) may make such statement available on a floppy disc which may be used with a personal computer or in any other media which is not prohibited under regulations prescribed by the Board.

"(2) NOTICE THAT DATA IS SUBJECT TO CORRECTION AFTER FINAL REVIEW.—Any disclosure statement provided pursuant to paragraph (1) shall be accompanied by a clear and conspicuous notice that the statement is subject to final review and revision, if necessary.

"(3) REASONABLE CHARGE FOR INFORMATION.—Any depository institution which provides a disclosure statement pursuant to paragraph (1) may impose a reasonable fee for any cost incurred in providing or reproducing such statement.

"(l) PROMPT DISCLOSURES.—

"(1) IN GENERAL.—Any disclosure of information pursuant to this section or section 310 shall be made as promptly as possible.

"(2) MAXIMUM DISCLOSURE PERIOD.—

"(A) 6- AND 9-MONTH MAXIMUM PERIODS.—Except as provided in subsections (j)(5) and (k)(1) and regulations prescribed by the Board and subject to subparagraph (B), any information required to be disclosed for any year beginning after December 31, 1992, under—

"(i) this section shall be made available to the public before September 1 of the succeeding year; and

"(ii) section 310 shall be made available to the public before December 1 of the succeeding year.

"(B) SHORTER PERIODS ENCOURAGED AFTER 1994.—With respect to disclosures of information under this section or section 310 for any year beginning after December 31, 1993, every effort shall be made—

"(i) to make information disclosed under this section available to the public before July 1 of the succeeding year; and

"(ii) to make information required to be disclosed under section 310 available to the public before September 1 of the succeeding year.

"(3) IMPROVED PROCEDURE.—The Federal Financial Institutions Examination Council shall make such changes in the system established pursuant to subsection (f) as may be necessary to carry out the requirements of this subsection.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 304(c) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(c)) is amended by inserting ", other than loan application register information under subsection (j)," after "under this section".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to information disclosed under section 304 of the Home Mortgage Disclosure Act of 1975 for any year which ends after the date of the enactment of this Act.

SEC. 909. COMMUNITY REINVESTMENT ACT OF 1977.

Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended—

(1) by inserting before the first sentence the following: "(a) IN GENERAL.—"; and

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

"(b) MAJORITY-OWNED INSTITUTIONS.—In assessing and taking into account, under subsection (a), the record of a nonminority-owned and nonwomen-owned financial institution, the appropriate Federal financial supervisory agency shall consider and give credit for capital investment, loan participation, and other ventures undertaken by the institution in cooperation with minority- and women-owned financial institutions and low-income credit unions that help meet the credit needs of local communities in which such institutions and credit unions are chartered.".

SEC. 910. TEMPORARY INAPPLICABILITY OF CERTIFICATION OF LIMITATION OF ASSISTANCE FOR MULTIFAMILY PROJECTS.

Section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall not apply with respect to any assistance within the jurisdiction of the Department of Housing and Urban Development (as such term is defined in section 102(m) of such Act) for housing—

(1) that consists of 5 or more dwelling units;

(2) that is—

(A) insured or to be insured under title II of the National Housing Act;

(B) assisted or to be assisted under title II of the Cranston-Gonzalez National Affordable Housing Act;

(C) assisted or to be assisted under—

(i) section 441 of the Stewart B. McKinney Homeless Assistance Act, as in effect before the date of the effectiveness of the amendment made by section 821(a) of the Cranston-Gonzalez National Affordable Housing Act; or

(ii) subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act, as in effect after the date of the effectiveness of such amendment; or

(D) assisted or to be assisted under section 8 of the United States Housing Act of 1937; and

(3) for which an application for assistance within the jurisdiction of the Department is submitted to the Secretary before September 30, 1994.

SEC. 911. REESTABLISHMENT OF SOLAR BANK.

(a) REESTABLISHMENT.—

(1) AUTHORITY OF SECRETARY TO PROVIDE FOR REESTABLISHMENT.—Notwithstanding the termination of the Solar Energy and Energy Conservation Bank under section 505(a) of the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3603(a)), the Secretary of Housing and Urban Development shall take such actions as may be necessary to reestablish the Solar Energy and Energy Conservation Bank under such Act. The Bank shall have the powers, carry out the functions, and operate as provided under such Act and sections 315 and 316 of the Federal National Mortgage Association Charter Act (21 U.S.C. 1723g–1723h).

(2) BOARD OF DIRECTORS, OFFICERS, AND ADVISORY COMMITTEES.—The positions of the Board of Directors of the Solar Energy and Energy Conservation Bank, officers and personnel of the Bank, the Energy Conservation Advisory Committee, and the Solar Energy Advisory Committee shall be established and filled in the manner provided under the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3601 et seq.).

(3) REGULATIONS.—The Secretary of Housing and Urban Development shall issue any regulations necessary to carry out this section.

(b) CONTINUATION OF BANK.—Section 505(a) of the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3603(a)) is amended by striking the last sentence.

(c) TECHNICAL AMENDMENTS.—The Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3601 et seq.) is amended—

(1) in section 505(b), by striking "this subtitle" and inserting "the Housing and Community Development Act of 1992";

(2) in section 509(b)(1), by striking "this subtitle" the second place it appears and inserting "the Housing and Community Development Act of 1992";

(3) in section 515(a)(3), by striking "the National Bureau of Standards" and inserting "the National Institute of Standards and Technology";

(4) in section 519(b), by striking "this subtitle" and inserting "the Housing and Community Development Act of 1992";

(5) in section 520(a), by striking "this subtitle" the first place it appears and inserting "the Housing and Community Development Act of 1992"; and

(6) in section 520(b), by striking "90 days after the effective date of this subsection" and inserting "180 days after the date of the enactment of the Housing and Community Development Act of 1992".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 522(a) of the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3620(a)) is amended to read as follows:

"SEC. 522. (a) There are authorized to be appropriated to provide financial assistance under this subtitle for the purchase and installation of residential and commercial energy conservation improvements and solar energy systems such sums as may be necessary for fiscal year 1993.".

SEC. 912. TECHNICAL AND CONFORMING AMENDMENTS RELATING TO LABOR WAGE RATES UNDER HOUSING PROGRAMS.

(a) SUPPORTIVE HOUSING FOR THE ELDERLY.—Section 202(j)(5) of the Housing Act of 1959 (12 U.S.C. 1701q(j)(5)), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended to read as follows:

"(5) LABOR.—

"(A) IN GENERAL.—The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing with 12 or more units assisted under this section shall be paid wages at rates not less than the rates prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act).

"(B) EXEMPTION.—Subparagraph (A) shall not apply to any individual who—

"(i) performs services for which the individual volunteered;

"(ii)(I) does not receive compensation for such services; or

"(II) is paid expenses, reasonable benefits, or a nominal fee for such services; and

"(iii) is not otherwise employed at any time in the construction work.".

(b) SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.—Section 811(j)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(j)(6)) is amended—

(1) by striking "(6) LABOR STANDARDS.—The Secretary" and inserting the following:

"(6) LABOR STANDARDS.—

"(A) IN GENERAL.—The Secretary";

(2) by striking "assisted under this section and designed for dwelling use by 12 or more persons with disabilities" and inserting "with 12 or more units assisted under this section";

(3) by inserting "commonly known as" before "the Davis-Bacon Act";

(4) by striking "; but the Secretary" and all that follows through "undertaking the construction"; and

(5) by adding at the end the following new subparagraph:

"(B) EXEMPTION.—Subparagraph (A) shall not apply to any individual who—

"(i) performs services for which the individual volunteered;

"(ii)(I) does not receive compensation for such services; or

"(II) is paid expenses, reasonable benefits, or a nominal fee for such services; and

"(iii) is not otherwise employed at any time in the construction work.".

SEC. 913. ENERGY EFFICIENT MORTGAGES.

(a) DEFINITION OF ENERGY EFFICIENT MORTGAGE.—Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704), as amended by section 210(a)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(25) The term 'energy efficient mortgage' means a mortgage that provides financial incentives for the purchase of energy efficient homes, or that provides financial incentives to make energy efficiency improvements in existing homes by incorporating the cost of such improvements in the mortgage.".

(b) UNIFORM MORTGAGE FINANCING PLAN FOR ENERGY EFFICIENCY.—Section 946 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12712 note) is amended—

(1) in subsection (a), by striking "mortgage financing incentives for energy efficiency" and inserting "energy efficient mortgages (as such term is defined in section 104 of this Act)"; and

(2) in subsection (b)—

(A) in the second sentence, by inserting ", but not be limited to," after "include"; and

(B) by inserting after the period at the end the following new sentence: "The Task Force shall determine whether notifying potential home purchasers of the availability of energy efficient mortgages would promote energy efficiency in residential buildings, and if so, the Task Force shall recommend appropriate notification guidelines, and agencies and organizations referred to in the preceding sentence are authorized to implement such guidelines.".

SEC. 914. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY LOW-INCOME PERSONS.

(a) HOUSING AND URBAN DEVELOPMENT ACT OF 1968.—Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended to read as follows:

"SEC. 3. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY-LOW INCOME PERSONS.

"(a) FINDINGS.—The Congress finds that—

"(1) Federal housing and community development programs provide State and local governments and other recipients of Federal financial assistance with substantial funds for projects and activities that produce significant employment and other economic opportunities;

"(2) low- and very low-income persons, especially recipients of government assistance for housing, often have restricted access to employment and other economic opportunities;

"(3) the employment and other economic opportunities generated by projects and activities that receive Federal housing and community development assistance offer an effective means of empowering low- and very low-income persons, particularly persons who are recipients of government assistance for housing; and

"(4) past Federal efforts to direct employment and other economic opportunities generated by Federal housing and community development programs to low- and very low-income persons have not been fully effective and should be intensified.

"(b) POLICY.—It is the policy of the Congress and the purpose of this section to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

"(c) EMPLOYMENT.—

"(1) PUBLIC AND INDIAN HOUSING PROGRAM.—

"(A) IN GENERAL.—The Secretary of Housing and Urban Development shall require that public housing agencies and Indian housing authorities, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to give to low- and very low-income persons the training and employment opportunities generated by development assistance provided pursuant to section 5 of the United States Housing Act of 1937, operating assistance provided pursuant to section 9 of such Act, and modernization grants provided pursuant to section 14 of such Act.

"(B) PRIORITY.—The efforts required under subparagraph (A) shall be directed in the following order of priority:

"(i) To residents of the housing developments for which the assistance is expended.

"(ii) To residents of other developments managed by the public housing agency or Indian housing authority that is expending the assistance.

"(iii) To other low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

"(2) OTHER PROGRAMS.—

"(A) IN GENERAL.—In other programs that provide housing and community development assistance, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction projects are given to low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

"(B) PRIORITY.—Where feasible, priority should be given to low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located.

"(d) CONTRACTING.—

"(1) PUBLIC AND INDIAN HOUSING PROGRAM.—

"(A) IN GENERAL.—The Secretary shall require that public housing agencies and Indian housing authorities, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to award contracts for work to be performed in connection with development assistance provided pursuant to section 5 of the United States Housing Act of 1937, operating assistance provided pursuant to section 9 of such Act, and modernization grants provided pursuant to section 14 of such Act, to business concerns that provide economic opportunities for low- and very low-income persons.

"(B) PRIORITY.—The efforts required under subparagraph (A) shall be directed in the following order of priority:

"(i) To business concerns that provide economic opportunities for residents of the housing development for which the assistance is provided.

"(ii) To business concerns that provide economic opportunities for residents of other housing developments operated by the public housing agency and Indian housing authority that is providing the assistance.

"(iii) To business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

"(2) OTHER PROGRAMS.—

"(A) IN GENERAL.—In providing housing and community development assistance pursuant to other programs, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, contracts awarded for work to be performed in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

"(B) PRIORITY.—Where feasible, priority should be given to business concerns which provide economic opportunities for low- and very low-income persons residing within the service areas of the project or the neighborhoods in which the project is located.

"(e) DEFINITIONS.—For the purposes of this section:

"(1) LOW- AND VERY LOW-INCOME PERSONS.—The terms 'low-income persons' and 'very low-income persons' have the same meanings given the terms 'low-income families' and 'very low-income families', respectively, in section 3(b) of the United States Housing Act of 1937.

"(2) BUSINESS CONCERN THAT PROVIDES ECONOMIC OPPORTUNITIES.—The term 'a business concern that provides economic opportunities' means a business concern that—

"(A) provides economic opportunities for a class of persons that has a majority controlling interest in the business;

"(B) employs a substantial number of such persons; or

"(C) meets such other criteria as the Secretary may establish.

"(f) COORDINATION WITH OTHER FEDERAL AGENCIES.—The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Commerce, the Administrator of the Small Business Administration, and such other Federal agencies as the Secretary determines are necessary to carry out this section.

"(g) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Secretary shall issue regulations to implement this section.".

(b) STUDY OF THE EFFECTIVENESS OF SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than 1 year after the date of the enactment of this Act, a report describing—

(A) the Secretary's efforts to enforce section 3 of the Housing and Urban Development Act of 1968, as amended by subsection (a) of this section;

(B) the barriers to full implementation of section 3 of the Housing and Urban Development Act of 1968;

(C) the anticipated costs and benefits of full implementation of section 3 of the Housing and Urban Development Act of 1968; and

(D) recommendations for legislative changes to enhance the effectiveness of section 3 of the Housing and Urban Development Act of 1968.

(2) CONTENTS.—

(A) ENFORCEMENT.—The description under paragraph (1)(A) of the Secretary's enforcement efforts shall include, at a minimum—

(i) a discussion of how responsibility for implementing section 3 of the Housing and Urban Development Act of 1968 is allocated within the Department of Housing and Urban Development;

(ii) a discussion of the status of existing regulations implementing such section 3;

(iii) a discussion of ongoing efforts to enforce current regulations;

(iv) a list of the programs under the responsibility of the Secretary with respect to which the Secretary is enforcing section 3; and

(v) a separate description of the activities carried out under section 3 with respect to each of these programs.

(B) IMPEDIMENTS.—The discussion under paragraph (1)(B) of the external impediments to effective enforcement of section 3 of the Housing and Urban Development Act of 1968 shall include, at a minimum, a discussion of—

(i) any lack of necessary training for targeted employees and technical assistance to targeted businesses;

(ii) any barriers created by Federal, State, or local procurement regulations or other laws;

(iii) any difficulties in coordination with labor unions;

(iv) any difficulties in coordination with other implicated Federal agencies; and

(v) any lack of resources on the part of recipients of assistance who are responsible for carrying out section 3 of the Housing and Urban Development Act of 1968.

(3) CONSULTATION.—In preparing the report under this subsection, the Secretary shall consult with the Secretary of Labor, the Secretary of Commerce, the Secretary of Health and Human Services, the Administrator of the Small Business Administration, other appropriate Federal officials, and recipients of Federal housing and community development assistance who are responsible for executing section 3 of the Housing and Urban Development Act of 1968.

SEC. 915. NATIONAL AMERICAN INDIAN HOUSING COUNCIL.

There is authorized to be appropriated for assistance for the National American Indian Housing Council such sums as may be necessary for fiscal year 1993, for providing training and technical assistance to Indian housing authorities.

SEC. 916. STUDY REGARDING FORECLOSURE ALTERNATIVES.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall conduct a study to review and analyze alternatives to foreclosure for homeowners whose principal residences are subject to federally-related mortgages (in connection with federally related mortgage loans, as such term is defined in section 3 of the Real Estate Settlement Procedures Act of 1974) under which the homeowner is in default. In conducting the study, the Secretary—

(1) may consult with any appropriate Federal agencies that make, insure, or guarantee mortgage loans relating to 1- to 4-family dwellings and with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, and the Federal Agricultural Mortgage Corporation; and

(2) shall review and assess the adequacy, with respect to providing alternatives to foreclosure, of—

(A) the temporary mortgage assistance payments program authorized under section 230 of the National Housing Act;

(B) the authority of the Secretary to modify interest rates and other terms of mortgages transferred to the Secretary under section 7(i) of the Department of Housing and Urban Development Act; and

(C) any authority pursuant to Debt Collection Act of 1982 to reduce interest rates on outstanding debt to the borrowing rate for the Treasury of the United States.

The Secretary shall evaluate alternatives to foreclosure based on fairness of the procedures to the homeowner and reducing adverse effects on the mortgage lending system.

(b) REPORT.—Not later than March 1, 1993, the Secretary shall submit a report to the Congress regarding the results of the study conducted under subsection (a). The report shall contain a detailed description and assessment of each alternative to foreclosure analyzed under the study and a statement by the Secretary regarding the intent of the Secretary to use any authority available under the provisions referred to in subsection (a)(2) to avoid foreclosure under mortgages (and any reasons for not using such authority). The report may also contain any recommendations of the Secretary for administrative or legislative action to assist homeowners to avoid foreclosure and any loss of equity in their mortgaged homes that may result from foreclosure.

TITLE X—HOUSING PROGRAMS UNDER STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

SEC. 1001. SHORT TITLE.

This title may be cited as the "Stewart B. McKinney Homeless Housing Assistance Amendments Act of 1992".

SEC. 1002. EMERGENCY SHELTER GRANTS PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 417 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11377) is amended to read as follows:

"**SEC. 417. AUTHORIZATION OF APPROPRIATIONS.**

"There is authorized to be appropriated to carry out this subtitle $143,520,000 for fiscal year 1993.".

(b) EMPLOYMENT OF HOMELESS INDIVIDUALS.—Section 415(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375(c)) is amended—

(1) in paragraph (4) (as follows paragraph (3)), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon;

(3) in the paragraph that follows paragraph (5) (as added by section 832(h)(3) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4362))—

(A) by redesignating the paragraph as paragraph (6); and

(B) by striking the period at the end and inserting "; and"; and

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

"(7) it will utilize, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this subtitle, in providing services assisted under this subtitle, and in providing services for occupants of facilities assisted under this subtitle.".

(c) PARTICIPATION OF HOMELESS INDIVIDUALS.—Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding at the end the following new subsection:

"(d) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each recipient that is not a State to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such recipient, to the extent that such entity considers and makes policies and decisions regarding any facility, services, or other assistance of the recipient assisted under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.".

(d) TERMINATION OF ASSISTANCE.—Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding after subsection (d) (as added by subsection (c) of this section) the following new subsection:

"(e) TERMINATION OF ASSISTANCE.—If an individual or family who receives assistance under this subtitle from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law.".

SEC. 1003. SUPPORTIVE HOUSING PROGRAM.

(a) IN GENERAL.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by striking subtitles C and D and inserting the following new subtitle:

"Subtitle C—Supportive Housing Program

"**SEC. 421. PURPOSE.**

"The purpose of the program under this subtitle is to promote the development of innovative approaches for the provision of supportive housing and supportive services to assist homeless persons, especially homeless families and homeless persons with disabilities, in the transition from homelessness and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.

"**SEC. 422. DEFINITIONS.**

"For purposes of this subtitle:

"(1) The term 'applicant' means a State, Indian tribe, metropolitan city, urban county, governmental entity, private nonprofit organization, or community mental health association that is a public nonprofit organization, that is eligible to receive assistance under this subtitle and submits an application under section 426(a).

"(2) The term 'disability' means a physical disability (including the disease of acquired immunodeficiency syndrome and any conditions arising from the etiologic agent for such disease) or mental disability (including a substance abuse disorder), that impedes an individual's ability to live independently.

"(3) The term 'Indian tribe' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

"(4) The term 'metropolitan city' has the meaning given the term in section 102 of the Housing and Community Development Act of 1974.

"(5) The term 'operating costs' means expenses incurred by a recipient operating supportive housing under this subtitle with respect to—

"(A) the administration, maintenance, repair, and security of such housing;

"(B) utilities, fuel, furnishings, and equipment for such housing; and

"(C) the conducting of the assessment under section 426(c)(2).

"(6) The term 'outpatient health services' mean outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management.

"(7) The term 'private nonprofit organization' means an organization—

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(B) that has a voluntary board;

"(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

"(D) that practices nondiscrimination in the provision of assistance.

"(8) The term 'project' means a structure or structures (or a portion of such structure or structures) that is acquired, rehabilitated, constructed, or leased with assistance provided under this subtitle or with respect to which the Secretary provides technical assistance or annual payments for operating costs under this subtitle, or supportive services.

"(9) The term 'recipient' means any governmental or nonprofit entity that receives assistance under this subtitle.

"(10) The term 'Secretary' means the Secretary of Housing and Urban Development.

"(11) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau.

"(12) The term 'supportive housing' means a project that meets the requirements of section 424.

"(13) The term 'supportive services' means services under section 425.

"(14) The term 'urban county' has the meaning given the term in section 102 of the Housing and Community Development Act of 1974.

"**SEC. 423. ELIGIBLE ACTIVITIES.**

"(a) IN GENERAL.—The Secretary may provide any project with one or more of the following types of assistance under this subtitle:

"(1) ACQUISITION AND REHABILITATION.—A grant for acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure (including a small commercial property or office space) to provide supportive housing other than emergency shelter or to provide supportive services. The repayment of any outstanding debt owed on a loan made to purchase an existing structure shall be considered to be a cost of acquisition eligible for a grant under this paragraph if the structure was not used as supportive housing, or to provide supportive services, before the receipt of assistance.

"(2) NEW CONSTRUCTION.—A grant or advance for new construction of a structure to provide supportive housing or supportive services.

"(3) LEASING.—A grant for leasing of an existing structure or structures, or portions thereof, to provide supportive housing or supportive services during the period covered by the application. Grant recipients may reapply for such assistance as needed to continue the use of such structure to provide supportive housing or supportive services.

"(4) OPERATING COSTS.—Annual payments for operating costs of supportive housing (without regard to whether the housing is an existing structure). Grant recipients may reapply for such assistance as needed to continue the use of the project to provide supportive housing or supportive services.

"(5) SUPPORTIVE SERVICES.—A grant for costs of supportive services provided to homeless individuals. Such services may be provided independently from supportive housing and may be provided to homeless persons that do not reside in the supportive housing. Any recipient may reapply for such assistance or for the renewal of such assistance to continue services funded under prior grants or to provide other services.

"(6) TECHNICAL ASSISTANCE.—Technical assistance in—

"(A) establishing supportive housing;

"(B) operating supportive housing; and

"(C) providing supportive services to homeless individuals.

"(b) USE RESTRICTIONS.—

"(1) ACQUISITION, REHABILITATION, AND NEW CONSTRUCTION.—Projects assisted under subsection (a)(1) or (2) shall be operated for not less than 20 years for the purpose specified in the application. The recipient of any such assistance shall repay the assistance to the Secretary on such terms as may be prescribed by the Secretary in accordance with subsection (c) if the project is used as supportive housing for less than the 20-year period beginning on the date that the project is placed in service.

"(2) OTHER ASSISTANCE.—Projects assisted under subsection (a)(3), (4), (5), or (6) (but not under subsection (a)(1) or (2)) shall be operated for the purposes specified in the application for the duration of the period covered by the grant.

"(3) CONVERSION.—If the Secretary determines that a project is no longer needed for use of supportive housing and approves the use of the project for the direct benefit of low-income persons pursuant to a request for such use by the recipient operating the project, the Secretary may authorize the recipient to convert the project to such use.

"(c) REPAYMENT OF ASSISTANCE AND PREVENTION OF UNDUE BENEFITS.—

"(1) REPAYMENT.—The Secretary shall require recipients to repay 100 percent of any assistance received under subsection (a)(1) or (2) if the project is used as supportive housing for fewer than 10 years after the project is placed in service. If such project is used as supportive housing for more than 10 years, the Secretary shall reduce the percentage of the amount required to be repaid by 10 percentage points for each year in excess of 10 that the project is used as supportive housing.

"(2) PREVENTION OF UNDUE BENEFITS.—Except as provided in paragraph (3), upon any sale or other disposition of a project assisted under subsection (a)(1) or (2) occurring before the expiration of the 20-year period beginning on the date that the project is placed in service, the recipient shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient from unduly benefiting from such sale or disposition.

"(3) EXCEPTION.—A recipient shall not be required to comply with the terms and conditions prescribed under paragraphs (1) and (2) if the sale or disposition of the project results in the use of the project for the direct benefit of very low-income persons or if all of the proceeds are used to provide supportive housing meeting the requirements of this subtitle.

"SEC. 424. SUPPORTIVE HOUSING.

"(a) IN GENERAL.—Housing providing supportive services for homeless individuals shall be considered supportive housing for purposes of this subtitle if—

"(1) the housing is safe and sanitary and meets any applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located; and

"(2) the housing—

"(A) is transitional housing;

"(B) is permanent housing for homeless persons with disabilities; or

"(C) is, or is part, of a particularly innovative project for, or alternative methods of, meeting the immediate and long-term needs of homeless individuals and families.

"(b) TRANSITIONAL HOUSING.—For purposes of this section, the term 'transitional housing' means housing, the purpose of which is to facilitate and move homeless individuals and families to independent living within 24 months (or such longer period as the Secretary determines is necessary to facilitate the transition of homeless individuals to independent living). Any project that has as its purpose facilitating the movement of homeless individuals to independent living within 24 months (or such other period determined pursuant to this subparagraph) may not be denied assistance solely because the facility permits homeless individuals to reside in the facility for more than 24 months (or such other period determined pursuant to this subparagraph).

"(c) PERMANENT HOUSING FOR HOMELESS PERSONS WITH DISABILITIES.—For purposes of this section, the term 'permanent housing for homeless persons with disabilities' means community-based housing for handicapped homeless persons that provides long-term housing and supportive services for not more than—

"(1) 8 such persons in a single structure or contiguous structures;

"(2) 16 such persons, but only if not more than 20 percent of the units in a structure are designated for such persons; or

"(3) more than 16 persons if the applicant demonstrates that local market conditions dictate the development of a large project and such development will achieve the neighborhood integration objectives of the program within the context of the affected community.

"(d) SINGLE ROOM OCCUPANCY DWELLINGS.—A project may provide supportive housing or supportive services in dwelling units that do not contain bathrooms or kitchen facilities and are appropriate for use as supportive housing or in projects containing some or all such dwelling units.

"SEC. 425. SUPPORTIVE SERVICES.

"(a) IN GENERAL.—To the extent practicable, each project shall provide supportive services for residents of the project and homeless persons using the project, which may be designed by the recipient or participants.

"(b) REQUIREMENTS.—Supportive services provided in connection with a project shall, in the determination of the Secretary address the special needs of homeless persons (such as homeless persons with disabilities and homeless families with children) intended to be served by a project.

"(c) SERVICES.—Supportive services may include such activities as (A) establishing and operating a child care services program for homeless families, (B) establishing and operating an employment assistance program, (C) providing outpatient health services, food, and case management, (D) providing assistance in obtaining permanent housing, employment counseling, and nutritional counseling, (E) providing security arrangements necessary for the protection of residents of supportive housing and for homeless persons using the housing or project, (F) providing assistance in obtaining other Federal, State, and local assistance available for such residents (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment), and (G) providing other appropriate services.

"(d) PROVISION OF SERVICES.—All or part of the supportive services provided in connection with a project may be provided directly by the recipient or by arrangements with other public or private service providers.

"(e) COORDINATION WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—

"(1) APPROVAL.—Promptly upon receipt of any application for assistance under this subtitle that includes the provision of outpatient health services, the Secretary of Housing and Urban Development shall consult with the Secretary of Health and Human Services with respect to the proposed outpatient health services. If the Secretary of Health and Human Services determines that the proposal for delivery of the outpatient health services does not meet guidelines for determining the appropriateness of such proposed services, the Secretary of Housing and Urban Development may require resubmission of the application. The Secretary of Housing and Urban Development may not approve such portion of the application unless and until such portion has been resubmitted in a form that the Secretary of Health and Human Services determines meets such guidelines.

"(2) GUIDELINES.—The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining the appropriateness of proposed outpatient health services under this section. Such guidelines shall include any provisions necessary to enable the Secretary of Housing and Urban Development to meet the time limits under this subtitle for the final selection of applications for assistance.

"SEC. 426. PROGRAM REQUIREMENTS.

"(a) APPLICATIONS.—

"(1) FORM AND PROCEDURE.—Applications for assistance under this subtitle shall be submitted by applicants in the form and in accordance with the procedures established by the Secretary. The Secretary may not give preference or priority to any application on the basis that the application was submitted by any particular type of applicant entity.

"(2) CONTENTS.—The Secretary shall require that applications contain at a minimum—

"(A) a description of the proposed project, including the activities to be undertaken;

"(B) a description of the size and characteristics of the population that would occupy the supportive housing assisted under this subtitle;

"(C) a description of the public and private resources that are expected to be made available for the project;

"(D) in the case of projects assisted under section 423(a) (1) or (2), assurances satisfactory to the Secretary that the project will be operated for not less than 20 years for the purpose specified in the application;

"(E) in the case of projects assisted under this title that do not receive assistance under such sections, annual assurances during the period specified in the application that the project will be operated for the purpose specified in the application for such period;

"(F) a certification from the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the State or unit of general local government within which the project is located that the proposed project is consistent with the approved housing strategy of such State or unit of general local government; and

"(G) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(3) SITE CONTROL.—The Secretary shall require that each application include reasonable assurances that the applicant will own or have control of a site for the proposed project not later than the expiration of the 6-month period beginning upon notification of an award for grant assistance, unless the application proposes providing supportive housing assisted under section 423(a)(3) or housing which will eventually be owned or controlled by the families and individuals served. An applicant may obtain ownership for control of a suitable site different from the site specified in the application. If any recipient fails to obtain ownership or control of the site within 1 year after notification of an award for grant assistance, the grant shall be recaptured and reallocated under this subtitle.

"(b) SELECTION CRITERIA.—The Secretary shall select applicants approved by the Secretary as to financial responsibility to receive assistance under this subtitle by a national competition based on criteria established by the Secretary, which shall include—

"(1) the ability of the applicant to develop and operate a project;

"(2) the innovative quality of the proposal in providing a project;

"(3) the need for the type of project proposed by the applicant in the area to be served;

"(4) the extent to which the amount of assistance to be provided under this subtitle will be supplemented with resources from other public and private sources;

"(5) the cost-effectiveness of the proposed project;

"(6) the extent to which the applicant has demonstrated coordination with other entities serving homeless persons in the planning and operation of the project, to the extent practicable; and

"(7) such other factors as the Secretary determines to be appropriate to carry out this subtitle in an effective and efficient manner.

"(c) REQUIRED AGREEMENTS.—The Secretary may not provide assistance for any project under this subtitle unless the applicant agrees—

"(1) to operate the proposed project in accordance with the provisions of this subtitle;

"(2) to conduct an ongoing assessment of the supportive services required by homeless individuals served by the project and the availability of such services to such individuals;

"(3) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents and users of the project;

"(4) to monitor and report to the Secretary on the progress of the project;

"(5) to develop and implement procedures to ensure (A) the confidentiality of records pertaining to any individual provided family violence prevention or treatment services through

any project assisted under this subtitle, and (B) that the address or location of any family violence shelter project assisted under this subtitle will not be made public, except with written authorization of the person or persons responsible for the operation of such project; and

"(6) to utilize, to the maximum extent practicable, homeless individuals and families in constructing, rehabilitating, maintaining, and operating the project assisted under this subtitle and in providing supportive services for the project.

"(d) OCCUPANCY CHARGE.—Each homeless individual or family residing in a project providing supportive housing shall pay an occupancy charge in an amount determined by the recipient providing the project, which may not exceed the amount determined under section 3(a) of the United States Housing Act of 1937. Occupancy charges paid may be reserved, in whole or in part, to assist residents in moving to permanent housing.

"(e) MATCHING FUNDING.—Each recipient shall be required to supplement any assistance provided under this subtitle with an amount, from sources other than this subtitle, equal to not less than 10 percent of the funds received under this subtitle.

"(f) FLOOD PROTECTION STANDARDS.—Flood protection standards applicable to housing acquired, rehabilitated, constructed, or assisted under this subtitle shall be no more restrictive than the standards applicable under Executive Order No. 11988 (May 24, 1977) to the other programs under this title.

"(g) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each recipient to provide for the participation of a significant number of homeless individuals or former homeless individuals on the board of directors or other equivalent policymaking entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance provided under this subtitle. The Secretary may grant waivers to applicants unable to meet the requirement under the preceding sentence if the applicant agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

"(h) LIMITATION ON USE OF FUNDS.—No assistance received under this subtitle (or any State or local government funds used to supplement such assistance) may be used to replace other State or local funds previously used, or designated for use, to assist homeless persons or handicapped homeless persons.

"(i) LIMITATION ON ADMINISTRATIVE EXPENSES.—No recipient may use more than 5 percent of a grant received under this subtitle for administrative purposes.

"(j) TERMINATION OF ASSISTANCE.—If an individual or family who receives assistance under this subtitle (not including residents of an emergency shelter) from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law.

"SEC. 427. REGULATIONS.

"Not later than the expiration of the 90-day period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall issue interim regulations to carry out this subtitle, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect uppon issuance.

"SEC. 428. REPORTS TO CONGRESS.

"The Secretary shall submit a report to the Congress annually, which summarizes the activities carried out under this subtitle and sets forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. The report shall be submitted not later than 4 months after the end of each fiscal year (except that, in the case of fiscal year 1993, the report shall be submitted not later than 6 months after the end of the fiscal year).

"SEC. 429. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subtitle $187,200,000 for fiscal year 1993.

"(b) SET-ASIDES.—Of any amounts appropriated to carry out this subtitle—

"(1) not less than 25 percent shall be allocated to projects designed primarily to serve homeless families with children;

"(2) not less than 25 percent shall be allocated to projects designed primarily to serve homeless persons with disabilities; and

"(3) not less than 10 percent shall be allocated for use only for providing supportive services under sections 423(a)(5) and 425, not provided in conjunction with supportive housing.

"(c) REALLOCATIONS.—If, following the receipt of applications for the final funding round under this subtitle for any fiscal year, any amount set aside for assistance pursuant to subsection (b) will not be required to fund the approvable applications submitted for such assistance, the Secretary shall reallocate such amount for other assistance pursuant to this subtitle.".

(b) TRANSITION.—Notwithstanding the amendment made by subsection (a), before the date of the effectiveness of the regulations issued under section 427 of the Stewart B. McKinney Homeless Assistance Act (as amended by subsection (a) of this section) the Secretary may make grants under the provisions of subtitles C and D of the Stewart B. McKinney Homeless Assistance Act, as in effect immediately before the enactment of this Act. Any grants made before such effective date shall be subject to the provisions of such subtitles.

SEC. 1004. SAFE HAVENS FOR HOMELESS INDIVIDUALS DEMONSTRATION PROGRAM.

Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by inserting after subtitle C (as added by section 1003(a) of this Act) the following new subtitle:

"Subtitle D—Safe Havens for Homeless Individuals Demonstration Program

"SEC. 431. ESTABLISHMENT OF DEMONSTRATION.

"(a) IN GENERAL.—The Secretary may provide assistance to applicants in accordance with this subtitle to demonstrate the desirability and feasibility of providing low-cost housing, to be known as safe havens, for eligible persons who are at the time unable to participate in mental health treatment programs or to receive other supportive services.

"(b) PURPOSES.—The demonstration program carried out under this subtitle shall demonstrate—

"(1) whether eligible persons choose to reside in safe havens;

"(2) the extent to which, after a period of residence in a safe haven, residents are willing to participate in mental health or other appropriate treatment programs and to move toward a more traditional form of permanent housing and whether such permanent housing and treatment programs are available in the community;

"(3) whether safe havens are cost-effective in comparison with other alternatives for eligible persons; and

"(4) the various ways in which safe havens can be arranged to provide accommodations and supportive services for eligible persons.

"SEC. 432. DEFINITIONS.

"For purposes of this subtitle:

"(1) APPLICANT.—The term 'applicant' means a nonprofit corporation, public nonprofit organization, State, or unit of general local government.

"(2) ELIGIBLE PERSON.—The term 'eligible person' means an individual who—

"(A) is seriously mentally ill or has chronic problems with drug or alcohol abuse (or both);

"(B) resides primarily in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, which may include occasional residence in an emergency shelter; and

"(C) is at the time unable to participate in mental health treatment programs or to receive other supportive services.

"(3) FACILITY.—The term 'facility' means a structure or a portion of a structure that is assisted under this subtitle.

"(4) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means an organization—

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(B) that has a voluntary board;

"(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

"(D) that practices nondiscrimination in the provision of assistance.

"(5) OPERATING COSTS.—The term 'operating costs' means expenses incurred by a recipient operating a safe haven under this subtitle with respect to—

"(A) the operation of the facility, including the cost of 24-hour management, and maintenance, repair, and security;

"(B) utilities, fuel, furnishings, and equipment for such housing; and

"(C) other reasonable costs necessary to the operation of the facility.

"(6) RECIPIENT.—The term 'recipient' means an applicant that receives assistance under this subtitle.

"(7) SAFE HAVEN.—The term 'safe haven' means a facility that—

"(A) provides a 24-hour residence for an unspecified duration for eligible persons;

"(B) provides private, semiprivate accommodations;

"(C) may provide for the common use of dining rooms and bathrooms; and

"(D) in which occupancy is limited to no more than 25 persons.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(9) SERIOUSLY MENTALLY ILL.—The term 'seriously mentally ill' means having a severe and persistent mental or emotional impairment that seriously limits a person's ability to live independently.

"(10) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau.

"(11) SUPPORTIVE SERVICES.—The term 'supportive services' means assistance that the Secretary determines (A) addresses the special needs of eligible persons, and (B) provides appropriate services, or assists such persons, to obtain appropriate services, including health care, mental health services, substance and alcohol abuse services, case management services, coun-

seling, supervision, education, job training, and other services essential for achieving and maintaining independent living. The term does not include acute hospital care.

"(12) UNIT OF GENERAL LOCAL GOVERNMENT.—The term 'unit of general local government' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

"SEC. 433. PROGRAM ASSISTANCE.

"(a) IN GENERAL.—

"(1) ELIGIBLE ACTIVITIES.—The Secretary may provide assistance with respect to a program under this subtitle for the following activities:

"(A) The construction of a structure for use in providing a safe haven or the acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure for use in providing a safe haven.

"(B) The leasing of an existing structure for use in providing a safe haven.

"(C) To cover the operating costs of a safe haven.

"(D) To cover the costs of administering a safe haven program, not to exceed 10 percent of the amounts made available for activities under subparagraphs (A) through (C).

"(2) PERIOD OF ASSISTANCE.—Assistance may be provided to any safe haven program for activities under paragraphs (1)(B), (C), and (D) for a period of not more than 5 years, except that the Secretary may, upon application by the recipient, provide assistance for an additional period of time, not to exceed 5 years, subject to—

"(A) the determination of the Secretary that the performance of the recipient under this subtitle is satisfactory; and

"(B) the availability of future appropriations.

"(3) LIMIT ON AMOUNT.—The total amount of assistance provided to any recipient under this subsection may not exceed $400,000 in any 5-year period.

"(b) MATCHING REQUIREMENTS.—

"(1) IN GENERAL.—Each recipient shall supplement the assistance provided under this subtitle with an equal amount of funds from sources other than this subtitle. Each recipient shall certify to the Secretary that it has complied with this subsection, and shall include with the certification a description of the sources and amounts of such supplemental funds.

"(2) DETERMINATION OF MATCHING AMOUNTS.—In calculating the amount of supplemental funds provided under paragraph (1), a recipient may include any State, local agency, and private funds, the value of any lease on a building, any salary paid to staff to carry out the safe haven program of the recipient, and the value of the time and services contributed by volunteers, at a rate determined by the Secretary, to carry out the safe haven program of the recipient.

"SEC. 434. PROGRAM REQUIREMENTS.

"(a) APPLICATIONS.—Applications for assistance under this subtitle shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish, and such applications shall contain at a minimum—

"(1) a description of the proposed facility;

"(2) a description of the number and characteristics of the eligible persons expected to occupy the safe haven;

"(3) a plan for identifying and selecting eligible persons to participate;

"(4) a program plan, containing a description of the method—

"(A) of operation of the facility, including staffing plans and facility rules;

"(B) by which the applicant will secure supportive services for residents of the safe haven;

"(C) by which the applicant will monitor the willingness of residents to engage in treatment programs and other supportive services;

"(D) by which access to supportive services will be secured for residents willing to use them;

"(E) by which access to permanent housing with appropriate services, such as the Shelter Plus Care program under subtitle F, will be sought after residents are stabilized; and

"(F) by which the applicant will conduct outreach activities to facilitate the entrance of eligible persons into the safe haven;

"(5) a plan to ensure that adequate security precautions are taken to make the facility safe for the residents;

"(6) an estimate of program costs;

"(7) a description of the resources that are expected to be made available in accordance with section 433(b);

"(8) assurances satisfactory to the Secretary that the facility will have 24-hour management;

"(9) assurances satisfactory to the Secretary that the facility will be operated for the purpose specified in the application for each year in which assistance is provided under this subtitle;

"(10) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the State or unit of general local government within which the facility is located that the proposed activities are consistent with the approved housing strategy for such jurisdiction;

"(11) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing;

"(12) a plan for program evaluation based on information that is collected on a periodic basis regarding the characteristics of the residents, including their movement in and out of the safe haven, their willingness to use supportive services, and their movement toward a more traditional form of permanent housing after a period of stabilization in the safe haven; and

"(13) such other information as the Secretary may require.

"(b) SITE CONTROL.—The Secretary shall require that an applicant furnish reasonable assurances that the applicant will have control of a site for the proposed facility not later than 1 year after notification of an award of assistance under this subtitle. If an applicant fails to obtain control of the site within this period, the grant shall be recaptured by the Secretary and reallocated for use under this subtitle.

"(c) SELECTION CRITERIA.—The Secretary shall establish selection criteria for selecting applicants to receive assistance under this subtitle pursuant to a national competition, which shall include—

"(1) the extent to which the applicant demonstrates the ability to develop and operate a safe haven;

"(2) the extent to which there is a need for a safe haven in the jurisdiction in which the facility will be located;

"(3) the extent to which the program would link eligible persons to permanent housing and supportive services after stabilization in a safe haven;

"(4) the cost-effectiveness of the proposed program;

"(5) providing for geographical diversity among applicants selected to receive assistance;

"(6) the extent to which the safe haven would meet the need of the eligible persons proposed to be served by the safe haven; and

"(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the program established under this subtitle in an effective and efficient manner.

"(d) REQUIRED AGREEMENTS.—The Secretary may not provide assistance under this subtitle for any safe haven program unless the applicant agrees—

"(1) to develop and operate the proposed facility as a safe haven in accordance with the provisions of this subtitle;

"(2) to ensure that the facility meets any standards of habitability established by the Secretary;

"(3) to provide mental health services for the residents of the safe haven;

"(4) to prohibit the use of illegal drugs and alcohol in the facility;

"(5) to ensure that adequate security precautions are taken to make the facility safe for the residents;

"(6) not to establish limitations on the duration of residency;

"(7) not to require participation in supportive services as a condition of occupancy;

"(8) to monitor and report to the Secretary on progress in carrying out the safe haven program;

"(9) to utilize, to the maximum extent practicable, eligible persons in constructing, renovating, maintaining, and operating facilities assisted under this subtitle and in providing services assisted under this subtitle;

"(10) to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such recipient (in accordance with regulations that the Secretary shall issue), to the extent that such entity considers and makes policies and decisions regarding any facility or services assisted under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions; and

"(11) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program established under this subtitle in an effective and efficient manner.

"SEC. 435. OCCUPANCY CHARGE.

"Each eligible person who resides in a facility assisted under this subtitle shall pay an occupancy charge not in excess of the amount determined under section 3(a) of the United States Housing Act of 1937. The recipient providing a facility may establish an occupancy charge lower than such amount based on the type of living accommodations provided.

"SEC. 436. TERMINATION OF ASSISTANCE.

"If an eligible person who resides in a safe haven or receives supportive services under a safe haven program violates any program rules or requirements, the recipient may terminate such residency or assistance in accordance with a formal process, established by the recipient, that recognizes the rights of individuals residing in safe havens and receiving assistance to due process of law.

"SEC. 437. EVALUATION AND REPORT.

"The Secretary shall conduct an evaluation of the safe haven demonstration program under this subtitle and shall submit a report to the Congress, not later than December 31, 1994, which shall set forth the findings of the Secretary as a result of the evaluation.

"SEC. 438. REGULATIONS.

"Not later than the expiration of the 90-day period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall issue interim regulations to carry out this subtitle, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration

of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

"SEC. 439. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subtitle $50,000,000 for fiscal year 1993.".

SEC. 1005. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.

(a) BUDGET AUTHORITY.—Section 441(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(a)) is amended to read as follows:

"(a) INCREASE IN BUDGET AUTHORITY.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act (as in effect immediately before the enactment of the Housing and Community Development Act of 1992) is authorized to be increased by $89,696,000 on or after October 1, 1992.".

(b) EMPLOYMENT OF HOMELESS INDIVIDUALS.—Section 441(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(c)) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) assurances satisfactory to the Secretary that the applicant will utilize, to the maximum extent practicable, homeless individuals and families in rehabilitating and operating facilities assisted under this section and in providing services for occupants of such facilities.".

(c) PARTICIPATION OF HOMELESS INDIVIDUALS AND TERMINATION OF ASSISTANCE.—Section 441 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401) is amended by adding at the end the following new subsections:

"(h) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each public housing agency receiving assistance under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the agency, to the extent that such entity considers and makes policies and decisions regarding the rehabilitation of any housing with assistance under this section, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.

"(i) TERMINATION OF ASSISTANCE.—If an individual or family who receives assistance under this section violates program requirements, the recipient of amounts made available under this section may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law.".

SEC. 1006. SHELTER PLUS CARE PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 459 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403h) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) IN GENERAL.—For purposes of the housing programs under this subtitle, there is authorized to be appropriated $269,144,000 for fiscal year 1993. Of any amount appropriated in any fiscal year to carry out this subtitle—

"(1) not less than 10 percent shall be available only for carrying out part II of this subtitle;

"(2) not less than 10 percent shall be available only for carrying out part III of this subtitle;

"(3) not less than 10 percent shall be available only for carrying out part IV of this subtitle; and

"(4) not less than 10 percent shall be available only for carrying out part V of this subtitle.";

(2) by striking subsections (b) and (c); and

(3) by redesignating subsection (d) as subsection (b).

(b) PARTICIPATION OF HOMELESS INDIVIDUALS.—Section 455 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403d) is amended by adding at the end the following new subsection:

"(c) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each recipient to provide for the consultation and participation of not less than 1 homeless individual or former homeless individual in considering and making policies and decisions of the recipient regarding any housing assisted under this title or services for such housing.".

(c) EMPLOYMENT OF HOMELESS INDIVIDUALS.—Section 456 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403e) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

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

"(5) to utilize, to the maximum extent practicable, homeless individuals and families in constructing or rehabilitating housing assisted under this title and in providing services required under this title.".

(d) REDESIGNATION AND AMENDMENT OF PART II PROVISIONS.—Subtitle F of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.) is amended as follows:

(1) PART II HEADING.—By amending the part heading for part II to read as follows:

"PART II—TENANT-BASED RENTAL ASSISTANCE"

(2) PARTS II AND IV.—By striking parts III and IV.

(3) PURPOSE.—By striking section 461 and inserting the following new section:

"SEC. 471. AUTHORITY.

"The Secretary may use amounts made available under section 463 to provide tenant-based rental housing assistance for eligible persons in accordance with this part.".

(4) HOUSING ASSISTANCE.—By redesignating section 462 as section 472 and amending such section by striking "Where" and inserting the following: "An eligible person on behalf of whom assistance is provided under this part shall select the unit in which such person will live using rental assistance under this part; except that where".

(5) AMOUNT OF ASSISTANCE.—By redesignating section 463 as section 473 and amending such section by striking the last sentence.

(e) TRANSFER, REDESIGNATION, AND AMENDMENT OF GENERAL PROVISIONS.—Subtitle F of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.) is amended as follows:

(1) TERMINATION OF ASSISTANCE.—By redesignating section 457 as section 461.

(2) DEFINITIONS.—By redesignating section 458 as section 462 and amending such section—

(A) by striking paragraph (2) and inserting the following new paragraph:

"(2) The term 'applicant' means a State, unit of general local government, Indian tribe, or public housing agency."; and

(B) in paragraph (5), by inserting before the period at the end ", and includes community mental health centers established as public nonprofit organizations".

(3) AUTHORIZATION OF APPROPRIATIONS.—By redesignating section 459 (as amended by subsection (a) of this section) as section 463.

(4) HOUSING STANDARDS AND RENT REASONABLENESS.—By redesignating section 464 as section 457, transferring and inserting such section after section 456, and amending subsection (a)(1) of such section by striking "(or if no such agency exists in the applicable area, an entity selected by the Secretary)".

(5) TENANT RENT AND ADMINISTRATIVE FEES.—By transferring and inserting sections 465 and 466 after section 457 (as so redesignated by paragraph (4) of this subsection) and redesignating such sections as sections 458 and 459, respectively.

(6) OCCUPANCY.—By inserting after section 459 (as so redesignated by paragraph (5) of this subsection) the following new section:

"SEC. 460. OCCUPANCY.

"(a) OCCUPANCY AGREEMENT.—The occupancy agreement between a tenant and an owner of a dwelling unit assisted under this subtitle shall be for at least one month.

"(b) VACANCY PAYMENTS.—If an eligible person vacates a dwelling unit assisted under this subtitle before the expiration of the occupancy agreement, no assistance payment may be made with respect to the unit after the month that follows the month during which the unit was vacated, unless it is occupied by another eligible person.".

(f) PROJECT- AND SPONSOR-BASED RENTAL ASSISTANCE AND SINGLE ROOM OCCUPANCY DWELLINGS.—Subtitle F of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq), as amended by the preceding provisions of this section, is further amended by inserting at the end the following new parts:

"PART III—PROJECT-BASED RENTAL ASSISTANCE

"SEC. 476. AUTHORITY.

"The Secretary may use amounts made available under section 463 to provide project-based rental housing assistance for eligible persons in accordance with this part.

"SEC. 477. HOUSING ASSISTANCE.

"Assistance under this part shall be provided pursuant to a contract between the recipient and an owner of an existing structure. The contract shall provide that rental assistance payments shall be made to the owner and that the units in the structure shall be occupied by eligible persons for not less than the term of the contract.

"SEC. 478. TERM OF CONTRACT AND AMOUNT OF ASSISTANCE.

"(a) TERM OF CONTRACT.—Each contract with a recipient for assistance under this part shall be for a term of 5 years, and the owner shall have an option to renew the assistance for an additional 5-year term, subject to the availability of amounts provided in appropriation Acts; except that if an expenditure of at least $3,000 for each unit (including its prorated share of work on common areas or systems) is required to make the structure decent, safe, and sanitary, and the owner agrees to carry out the rehabilitation with resources other than assistance under this subtitle within 12 months of notification of grant approval, the contract shall be for a term of 10 years.

"(b) AMOUNT OF ASSISTANCE.—Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rental under section 8(e) of the United States Housing Act of 1937 in effect at the time the application is approved. Any amounts not needed for a year may be used to increase the amount available in subsequent years.

"PART IV—SPONSOR-BASED RENTAL ASSISTANCE

"SEC. 481. AUTHORITY.

"The Secretary may use amounts made available under section 463 to provide sponsor-based rental assistance for eligible persons in accordance with this part.

"SEC. 482. HOUSING ASSISTANCE.

"Assistance under this part shall be provided pursuant to a contract between the recipient and a private nonprofit sponsor that owns or leases dwelling units. The contract shall provide that rental assistance payments shall be made to the sponsor and that such assisted units shall be occupied by eligible persons.

"SEC. 483. TERM OF CONTRACT AND AMOUNT OF ASSISTANCE.

"(a) TERM OF CONTRACT.—The contract with a recipient of assistance under this part shall be for a term of 5 years.

"(b) AMOUNT OF ASSISTANCE.—Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rental under section 8(e) of the United States Housing Act of 1937 in effect at the time the application is approved. Any amounts not needed for a year may be used to increase the amount available in subsequent years.

"PART V—SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE-ROOM OCCUPANCY DWELLINGS

"SEC. 486. AUTHORITY.

"The Secretary may use amounts made available under section 463 in connection with the moderate rehabilitation of single room occupancy housing described in section 8(l) of the United States Housing Act of 1937 for occupancy by eligible persons in accordance with this part. Amounts available under section 463 may be used in connection with the moderate rehabilitation of efficiency units if the building owner agrees to pay the additional cost of rehabilitating and operating the efficiency units.

"SEC. 487. FIRE AND SAFETY IMPROVEMENTS.

"Each contract for housing assistance payments entered into under this part shall require the installation of a sprinkler system that protects all major spaces, hard-wired smoke detectors, and any other fire safety improvements as may be required by State or local law. For purposes of this section, the term 'major spaces' means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

"SEC. 488. CONTRACT REQUIREMENTS.

"Each contract for annual contributions entered into by the Secretary with a public housing agency to obligate the authority made available under section 463 for use under this part shall—

"(1) commit the Secretary to make the authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing the authority shall be available for the remainder of such 10-year period;

"(2) provide the Secretary with the option to renew the contract for an additional period of 10 years, subject to the availability of authority; and

"(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this part shall be given to homeless persons.".

(g) TECHNICAL AND CONFORMING AMENDMENTS.—Subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.), as amended by the preceding provisions of this section, is further amended—

(1) by striking the heading for part I and inserting the following new heading:

"PART I—GENERAL REQUIREMENTS";

(2) in section 452(a), by striking "and IV" and inserting "IV, and V"; and

(3) in section 454(b)—

(A) in paragraph (1), by striking "or IV" and inserting "IV, or V";

(B) in paragraph (8), by striking "or IV" and inserting "IV, or V";

(C) in paragraph (10)(A), by inserting ", or III" after "part II"; and

(D) in paragraph (11)—

(i) by striking "part III" and inserting "part V"; and

(ii) by striking "rehabilitation and".

SEC. 1007. FHA SINGLE FAMILY PROPERTY DISPOSITION.

(a) 30-DAY MARKETING PERIOD.—Except as provided in subsection (b), in carrying out the program for disposition of single family properties acquired by the Department of Housing and Urban Development for use by the homeless under subpart E of part 291 of title 24, Code of Federal Regulations, the Secretary of Housing and Urban Development may not make any eligible property available for lease under such program that has not been listed and made generally available for sale by the Secretary for a period of at least 30 days.

(b) EXCEPTION.—With respect to any area for which the Secretary determines that there will not be a sufficient quantity of decent, safe, and sanitary affordable housing available for use under the program referred to in subsection (a) if eligible properties located in the area are made generally available for the 30-day period under subsection (a), the Secretary shall reserve for disposition under such program not more than 10 percent of the total number of eligible properties located in the area and shall not market such properties as provided under subsection (a). The Secretary shall consult with the unit of general local government for an area in determining which properties should be reserved for disposition under this subsection.

SEC. 1008. RURAL HOMELESS HOUSING ASSISTANCE.

Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by adding at the end the following new subtitle:

"Subtitle G—Rural Homeless Housing Assistance

"SEC. 491. DISPOSITION OF SINGLE FAMILY PROPERTIES ACQUIRED BY FMHA.

"(a) IN GENERAL.—Pursuant to the authority provided under section 510(e) of the Housing Act of 1949, the Secretary of Agriculture shall carry out a program to make eligible properties under this section available for acquisition by qualified applicants for use only for the purpose of providing housing for homeless individuals and families.

"(b) AVAILABILITY OF PROPERTIES.—In each fiscal year, the Secretary shall make available under the program under this section not less than 10 percent of the total number of eligible properties held by the Secretary.

"(c) METHODS OF ACQUISITION.—Eligible properties made available to qualified applicants under this section shall be available for lease with an option to purchase, for lease pursuant to a lease-option agreement to applicants for acquisition advances under the Supportive Housing Demonstration Program under subtitle C, and for purchase, in the same manner as properties are made available by the Secretary of Housing and Urban Development under the program for disposition of single family properties acquired by the Department of Housing and Urban Development for lease and sale for the homeless under subpart E of part 291, title 24, Code of Federal Regulations, as in effect on April 2, 1991.

"(d) EMPLOYMENT OF HOMELESS INDIVIDUALS.—A qualified applicant may only participate in a program under this section if the qualified applicant utilizes, to the maximum extent practicable, homeless individuals and families in maintaining, operating, and renovating any properties leased or acquired under this section and in providing any services for occupants of properties assisted under this section.

"(e) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each qualified applicant that is not a State to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such organization or applicant, to the extent that such organization or applicant considers and makes policies and decisions regarding any property acquired under this section, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.

"(f) DEFINITIONS.—For purposes of this section:

"(1) The term 'eligible property' means a property that—

"(A) is acquired and held by the Secretary;

"(B) consists of 1 to 4 dwelling units;

"(C) is vacant at the time it is acquired;

"(D) has been listed for sale by the Secretary for not less than 30 days; and

"(E) is not subject to a sale contract and has not been committed for use in any other program of the Secretary.

"(2) The term 'qualified applicant' means a State, metropolitan city, urban county, governmental entity, tribe, or private nonprofit organization that submits a written expression of interest in eligible properties available under this section.

"(3) The term 'Secretary' means the Secretary of Agriculture.

"(g) REGULATIONS.—The Secretary of Agriculture shall issue any regulations necessary to carry out this section. Such regulations shall be substantially similar to the regulations issued by the Secretary of Housing and Urban Development for the program for disposition of single family properties acquired by the Department of Housing and Urban Development for lease and sale for the homeless contained in subpart E of part 291, title 24, Code of Federal Regulations (as in effect on April 2, 1991). The regulations issued under this section may vary from such regulations issued by the Secretary of Housing and Urban Development only to the extent made necessary by the provisions of this section and to the extent necessary to provide for circumstances of disposition of properties acquired by the Secretary of Agriculture that differ from circumstances of disposition of properties acquired by the Secretary of Housing and Urban Development.

"SEC. 492. RURAL HOMELESSNESS GRANT PROGRAM.

"(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish and carry out a rural homelessness grant program under this section. In carrying out the program, the Secretary may award grants to eligible organizations in order to pay for the Federal share of the cost of—

"(1) assisting programs providing direct emergency assistance to homeless individuals and families;

"(2) providing homelessness prevention assistance to individuals and families at risk of becoming homeless; and

"(3) assisting individuals and families in obtaining access to permanent housing and supportive services.

"(b) USE OF FUNDS.—

"(1) IN GENERAL.—An eligible organization may use a grant awarded under subsection (a) to provide, in rural areas—

"(A) rent, mortgage, or utility assistance after 2 months of nonpayment in order to prevent eviction, foreclosure, or loss of utility service;

"(B) security deposits, rent for the first month of residence at a new location, and relocation assistance;

"(C) short-term emergency lodging in motels or shelters, either directly or through vouchers;

"(D) transitional housing;

"(E) rehabilitation and repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable;

"(F) housing services, including housing counseling and moving services;

"(G) costs associated with making use of Federal inventory property programs to house homeless families, including the programs established under section 491 and title V of this Act, and the single family property disposition program established pursuant to section 204(g) of the National Housing Act; and

"(H) other supportive services as needed, which may include outreach, case management, entitlement assistance, transportation, and health and social services to prevent or alleviate homelessness.

"(2) CAPACITY BUILDING ACTIVITIES.—Not more than 20 percent of the funds appropriated under subsection (k)(1) for a fiscal year may be used by eligible organizations for capacity building activities, including payment of operating costs and staff retention.

"(c) AWARD OF GRANTS.—

"(1) COMMUNITIES WITH POPULATIONS OF LESS THAN 20,000.—

"(A) SET-ASIDE.—In awarding grants under subsection (a) for a fiscal year, the Secretary shall make available not less than 50 percent of the funds appropriated under subsection (k)(1) for the fiscal year for awarding grants to eligible organizations serving communities that have populations of less than 20,000.

"(B) PRIORITY WITHIN SET-ASIDE.—In awarding grants in accordance with subparagraph (A), the Secretary shall give priority to eligible organizations serving communities with populations of less than 10,000.

"(2) COMMUNITIES WITHOUT SIGNIFICANT FEDERAL ASSISTANCE.—In awarding grants under subsection (a), including grants awarded in accordance with paragraph (1), the Secretary shall give priority to eligible organizations serving communities not currently receiving significant Federal assistance under the Stewart B. McKinney Homeless Assistance Act.

"(3) STATE LIMIT.—In awarding grants under subsection (a) for a fiscal year, the Secretary shall not award to eligible organizations within a State an aggregate sum of more than 5 percent of the funds appropriated under subsection (k)(1) for the fiscal year.

"(d) APPLICATION.—In order to be eligible to receive a grant under subsection (a), an organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. At a minimum the application shall include—

"(1) a description of the target population and geographic area to be served;

"(2) a description of the types of assistance to be provided;

"(3) an assurance that the assistance to be provided is closely related to the identified needs of the target population;

"(4) a description of the existing assistance available to the target population, including Federal, State, and local programs, and a description of the manner in which the organization will coordinate with and expand existing assistance or provide assistance not available in the immediate area;

"(5) an agreement by the organization that the organization will collect data on the projects conducted by the organization, including assistance provided, number and characteristics of persons served, and causes of homelessness for persons served; and

"(6) an agreement by the organization that the organization will utilize, to the maximum extent practicable, homeless individuals and families in providing, operating, and rehabilitating housing assisted under this section and in providing services assisted under this section and services for occupants of housing assisted under this section.

"(e) ELIGIBLE ORGANIZATIONS.—Organizations eligible to receive a grant under subsection (a) shall include private nonprofit entities, Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974), and county and local governments.

"(f) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the costs of providing assistance under this section shall be 75 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of providing the assistance shall be in cash or in kind, fairly evaluated, including plant, equipment, staff services, or services delivered by volunteers.

"(g) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each eligible organization receiving a grant under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any housing, services, or other assistance of the eligible organization receiving the grant under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.

"(h) EVALUATION.—

"(1) IN GENERAL.—The Secretary shall perform an evaluation of the program to—

"(A) determine the effectiveness of the program in providing housing and other assistance to homeless persons in the area served; and

"(B) determine the types of assistance needed to address homelessness in rural areas.

"(2) REPORT.—The Secretary shall submit to Congress, not later than 18 months after the date on which the Secretary first makes grants under the program, the evaluation of the program described in paragraph (1), including recommendations for any Federal administrative or legislative changes that may be necessary to improve the ability of rural communities to prevent and respond to homelessness.

"(i) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible organizations in developing programs in accordance with this section, and in gaining access to other Federal resources that may be used to assist homeless persons in rural areas. Such assistance may be provided through regional workshops, and may be provided directly or through grants to, or contracts with, nongovernmental entities.

"(j) TERMINATION OF ASSISTANCE.—If an individual or family who receives assistance under this section violates requirements of the assistance program provided by the organization receiving a grant under this section, the organization may terminate assistance in accordance with a formal process established by the organization that recognizes the rights of individuals receiving such assistance to due process of law.

"(k) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 1993.

"(2) AVAILABILITY.—Any amount paid to a grant recipient for a fiscal year that remains unobligated at the end of the year shall remain available to the recipient for the purposes for which the payment was made for the next fiscal year. The Secretary shall take such action as may be necessary to recover any amount not obligated by the recipient at the end of the second fiscal year, and shall redistribute the amount to another eligible organization.

"(l) DEFINITIONS.—For purposes of this section:

"(1) PROGRAM.—The term 'program' means the rural homelessness grant program established under this section.

"(2) RURAL AREA; RURAL COMMUNITY.—The terms 'rural area' and 'rural community' mean—

"(A) any area or community, respectively, no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget; or

"(B) any area or community, respectively, that is—

"(i) within an area designated as a metropolitan statistical area or considered as part of a metropolitan statistical area; and

"(ii) located in a rural census tract.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.".

SEC. 1009. EVALUATIONS OF PROGRAMS BY HOMELESS.

Section 108(a)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12708(a)(1)) is amended by inserting after the period at the end the following new sentences: "The Secretary shall also require the report of each participating jurisdiction to contain an evaluation of the effectiveness of each program that receives assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and serves the jurisdiction submitting the report. The evaluations shall be conducted by surveying the homeless individuals and families assisted under the programs.".

SEC. 1010. EXTENSION OF ORIGINAL MCKINNEY ACT HOUSING PROGRAMS.

The Cranston-Gonzalez National Affordable Housing Act is amended by striking sections 821 and 823 (42 U.S.C. 11361 note). The amendment made by such section 821 of such Act shall not take effect.

SEC. 1011. CONSULTATION AND REPORT REGARDING USE OF NATIONAL GUARD FACILITIES AS OVERNIGHT SHELTERS FOR HOMELESS INDIVIDUALS.

(a) USE OF AVAILABLE SPACE AT NATIONAL GUARD FACILITIES.—The Secretary of Housing and Urban Development shall consult with the chief executive officers of the States and the Secretary of Defense to determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families. The Secretary of Housing and Urban Development shall determine the availability of only such space that can be used for shelter purposes during periods it is not actively being used for National Guard purposes. The Secretary of Housing and Urban Development shall also determine the availability of incidental services at such facilities, including utilities, bedding, security, transportation, renovation of facilities, minor repairs undertaken specifically to make available space in a facility suitable for use as an overnight shelter for homeless individuals, and property liability insurance.

(b) LIMITATIONS.—In consultations under this section, the Secretary of Housing and Urban Development shall determine—

(1) the number and capacity of such facilities that may be made available for shelters for homeless persons and families without adversely affecting the military or emergency service preparedness of the State or the United States; and

(2) whether any available space is suitable for use as an overnight shelter for homeless individuals or can, with minor repairs, be made suitable for that use.

(c) REPORT.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, a report regarding the consultations

and determinations made by the Secretary under this section. The report shall include any recommendations of the Secretary regarding the need for, and feasibility of, using National Guard facilities for homeless shelters and any recommendations of the Secretary for administrative or legislative action to provide for such use.

SEC. 1012. AMENDMENTS TO TABLE OF CONTENTS.

The table of contents in section 101(b) of the Stewart B. McKinney Homeless Assistance Act is amended—

(1) by striking the item relating to the heading for subtitle C of title IV and all that follows through the item relating to section 484 and inserting the following new items:

"Subtitle C—Supportive Housing Program
"Sec. 421. Purpose.
"Sec. 422. Definitions.
"Sec. 423. Eligible activities.
"Sec. 424. Supportive housing.
"Sec. 425. Supportive services.
"Sec. 426. Program requirements.
"Sec. 427. Regulations.
"Sec. 428. Reports to Congress.
"Sec. 429. Authorization of appropriations.
"Subtitle D—Safe havens for homeless individuals demonstration program.
"Sec. 431. Establishment of demonstration.
"Sec. 432. Definitions.
"Sec. 433. Program assistance.
"Sec. 434. Program requirements.
"Sec. 435. Occupancy charge.
"Sec. 436. Termination of assistance.
"Sec. 437. Evaluation and report.
"Sec. 438. Regulations.
"Sec. 439. Authorization of appropriations.
"Subtitle E—Miscellaneous Programs
"Sec. 441. Section 8 assistance for single room occupancy dwellings.
"Sec. 442. Community development block grant amendment.
"Sec. 443. Administrative provisions.
"Subtitle F—Shelter Plus Care Program
"PART I—GENERAL REQUIREMENTS
"Sec. 451. Purpose.
"Sec. 452. Rental housing assistance.
"Sec. 453. Supportive services requirements.
"Sec. 454. Applications.
"Sec. 455. Selection criteria.
"Sec. 456. Required agreements.
"Sec. 457. Housing standards and rent reasonableness.
"Sec. 458. Tenant rent.
"Sec. 459. Administrative fees.
"Sec. 460. Occupancy.
"Sec. 461. Termination of assistance.
"Sec. 462. Definitions.
"Sec. 463. Authorization of appropriations.
"PART II—TENANT-BASED RENTAL ASSISTANCE
"Sec. 471. Authority.
"Sec. 472. Housing assistance.
"Sec. 473. Amount of assistance.
"PART III—PROJECT-BASED RENTAL ASSISTANCE
"Sec. 476. Authority.
"Sec. 477. Housing assistance.
"Sec. 478. Term of contract and amount of assistance.
"PART IV—SPONSOR-BASED RENTAL ASSISTANCE
"Sec. 481. Authority.
"Sec. 482. Housing assistance.
"Sec. 483. Term of contract and amount of assistance.
"PART V—SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE-ROOM OCCUPANCY DWELLINGS
"Sec. 486. Authority.
"Sec. 487. Fire and safety improvements.
"Sec. 488. Contract requirements.
"Subtitle G—Rural Homeless Housing Assistance
"Sec. 491. Disposition of single family properties acquired by FMHA.
"Sec. 492. Rural homelessness grant program.";

(2) by striking the item relating to section 501 and inserting the following new item:

"Sec. 501. Use of unutilized and underutilized public buildings and real property to assist the homeless.";

(3) by striking the items relating to sections 722 through 725 and inserting the following new items:

"Sec. 722. Grants for State and local activities for the education of homeless children and youth.
"Sec. 723. Local educational agency grants for the education of homeless children and youth.
"Sec. 724. National responsibilities.
"Sec. 725. Reports.
"Sec. 726. Definitions.";

(4) by inserting after the item relating to section 754 the following new items:

"Sec. 755. Evaluation.
"Sec. 756. Report by the Secretary.";

and

(5) by inserting after the item relating to section 762 the following new items:

"Subtitle F—Family Support Centers
"Sec. 771. Definitions.
"Sec. 772. General grants for the provision of services.
"Sec. 773. Training and retention.
"Sec. 774. Family case managers.
"Sec. 775. Gateway programs.
"Sec. 776. Evaluation.
"Sec. 777. Report.
"Sec. 778. Construction.
"Sec. 779. Authorization of appropriations.".

TITLE XI—NEW TOWNS DEMONSTRATION PROGRAM FOR EMERGENCY RELIEF OF LOS ANGELES

SEC. 1101. AUTHORITY.

To provide for the revitalization and renewal of inner city neighborhoods in the areas of Los Angeles, California, that were damaged by the civil disturbances during April and May of 1992, and to demonstrate the effectiveness of new town developments in revitalizing and restoring depressed and underprivileged inner city neighborhoods, the Secretary of Housing and Urban Development shall, to the extent or in such amounts as are provided in appropriation Acts, make any assistance authorized under this title available under this title to units of general local government, governing boards, and eligible mortgagors in accordance with the provisions of this title.

SEC. 1102. NEW TOWN PLAN.

(a) REQUIREMENT.—The Secretary may make assistance available under this title only in connection with, and according to the provisions of a new town plan developed and established by a governing board under section 1107 and approved under subsection (d) of this section. In developing such plans, the governing board shall consult with representatives of the units of general local government within whose boundaries are located any portion of the new town demonstration area for the demonstration program to be carried out under such plan.

(b) ELIGIBLE NEW TOWN DEMONSTRATION AREAS.—A new town plan under this section shall provide for carrying out a new town development demonstration providing assistance available under this title within a new town demonstration area, which shall be a geographic area defined in the new town plan—

(1) that is one of pervasive poverty, unemployment, and general distress;

(2) that has an unemployment rate of not less than 1.5 times the national unemployment rate for the 2 years preceding approval of the new town plan;

(3) that has a poverty rate of not less than 20 percent such 2-year period;

(4) for which not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the unit of general local government in which they are located;

(5) that has a shortage of adequate jobs for residents; and

(6) that is located—

(A) in or near the City of Los Angeles, in the State of California; and

(B) within an area for which the President, pursuant to title IV or V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, declared that a major disaster or emergency existed for purposes of such Act, as a result of the civil disturbances involving acts of violence occurring on or after April 29, 1992, and before May 6, 1992.

(c) CONTENTS.—Each new town plan shall include the following information:

(1) GOVERNING BOARD.—A description of the members and purposes of the governing board that developed the plan, the manner in which members of the governing board were selected, and the businesses, agencies, interests, and community ties of each member of the governing board.

(2) NEW TOWN DEMONSTRATION AREA.—A definition and description of the new town demonstration area for the new town development demonstration to be assisted under this title.

(3) TARGET COMMUNITY.—A description of the economic, social, racial, and ethnic characteristics of the population of the neighborhood or area in which the new town demonstration area is located.

(4) AGREEMENTS.—Agreements that the governing board will carry out the new town demonstration program in accordance with the requirements of this title.

(5) HOUSING UNITS.—A description of the number, size, location, cost, style, and characteristics of rental and homeownership housing units to be developed under the new town demonstration program, any financing for developing such housing, and the amount of assistance necessary under section 1105 for developing the housing under the program.

(6) JOBS.—A description of the number, types, and duration of any new jobs that will be created in the new town demonstration area and surrounding areas as a result of the demonstration program, and of any job training activities and apprenticeship programs to be made available in connection with the program.

(7) SOCIAL SERVICES.—A description of the social and supportive services to be made available under the demonstration program to residents of housing assisted under the demonstration program pursuant to section 1103(d) and to residents of the new town demonstration area.

(8) SUPPLEMENTAL RESOURCES.—A description of any funds, assistance, in-kind contributions, and other resources to be made available in connection with the demonstration program, including the sources and amounts of any private capital resources and non-Federal funds required under section 1103(h).

(9) CONTRACTORS AND DEVELOPERS.—A listing of the contractors and developers who will carry out any construction and rehabilitation work for development of housing under the demonstration program and the expected costs involved in hiring such contractors and developers.

(10) FINANCING FOR HOMEBUYERS.—A description of any mortgage lenders who have indicated that they will make financing available to

families purchasing housing developed under the demonstration program through mortgages eligible for insurance under section 1104 and proposed terms of such mortgages.

(11) COMMITMENTS.—Evidence of any commitments entered into for making any of the resources described in paragraphs (6) through (8) available in connection with the demonstration program.

(12) PRESALE REQUIREMENTS.—A description of commitments made to purchase not less than 50 percent of the housing to be developed under the demonstration program for purchase by the occupant and to rent not less than 50 percent of the rental dwelling units to be developed under the demonstration program.

(13) COMMUNITY DEVELOPMENT ACTIVITIES.—A description of the community development activities to be carried out with assistance under section 1106, the amount of assistance necessary under such section for such activities, and of the projected uses of such assistance.

(d) REVIEW AND APPROVAL.—

(1) SUBMISSION.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, a governing board shall submit a new town plan under this section to the chief executive officers of each unit of general local government within whose boundaries is located any portion of the new town demonstration area described under the plan of the board.

(2) APPROVAL.—For a plan to be eligible for assistance available under this title, the chief executive officer of all units of general local government to whom the new town plan is submitted shall approve the plan after review. A governing board may resubmit for approval any plan returned by any such chief executive officer to the governing board, and such chief executive officer may, upon returning the plan indicate any modifications necessary for approval. A new town plan may not be approved unless such chief executive officers determine that the membership of the governing board submitting the plan is constituted in accordance with section 1107 and the governing board is capable of carrying out the plan.

(3) AMENDMENT.—An approved new town plan for the demonstration program developed by the governing board may be amended by the board by obtaining approval of the amendment in the manner provided under this subsection for approval of plans. If the chief executive officer of the unit of general local government does not approve or return the amended plan within 30 days of submission, the amended plan shall be considered to be approved for purposes of this subsection.

SEC. 1103. NEW TOWN DEVELOPMENT DEMONSTRATION PROGRAM REQUIREMENTS.

(a) IN GENERAL.—Each of the 2 new town development demonstration programs selected for assistance under this title under section 1102 shall be carried out, by the governing board submitting the new town plan for the demonstration program, in accordance with such plan (and any approved amendments of such plans) and shall be subject to the requirements under this section.

(b) LOCAL PARTICIPATION.—With respect to any activities carried out under the demonstration program, the program shall give preference in awarding contracts, purchasing materials, acquiring services, and obtaining assistance or training, to contractors, businesses, developers, professionals, and other establishments located or having offices within the new town demonstration area.

(c) HOUSING.—

(1) NUMBER OF UNITS.—The demonstration program shall construct or renovate not less than 1500 dwelling units in the new town demonstration area, of which not less than 60 percent shall be units available for purchase by the occupant.

(2) AFFORDABILITY.—Units of varying sizes and costs shall be designed and developed under the demonstration program so that the program provides housing affordable to families of varying incomes not exceeding 120 percent of the median income for the area in which the new town demonstration area is located, including very low- and low-income families (as such terms are defined in section 3(b) of the United States Housing Act of 1937).

(3) HOMEOWNERSHIP UNITS.—Dwelling units developed under the demonstration program for purchase by the occupant shall initially be sold at prices affordable to families eligible to purchase such units. Such units shall be available for purchase only by families having incomes not exceeding the amount specified in paragraph (2). The demonstration shall develop 2-, 3-, and 4-bedroom units for purchase, which shall not be smaller than 1,400 square feet in size and not larger than 2,000 square feet in size.

(4) RENTAL UNITS.—Dwelling units developed under the demonstration program that are to be available for rental shall include family-type units and single bedroom and efficiency units designed for elderly occupants. Such units shall be available for occupancy only by families who (upon initial occupancy) have incomes of (A) less than 60 percent of the median income for the area, or (B) less than $20,000. The units shall initially be available for rental at prices of not less than $400 per month and not more than $500 per month, except that an occupant family shall pay not more than 30 percent of the family income for rent.

(d) SOCIAL SERVICES.—The demonstration program shall provide for appropriate social and supportive services to be made available to residents of housing assisted under the demonstration program and to other residents of the new town demonstration area, which may include rental and homeownership counseling, child care, job placement, educational programs, recreational and health care facilities and programs, and other appropriate services.

(e) JOB CREATION AND TRAINING.—The demonstration program shall provide, to the extent practicable, that activities in connection with the demonstration program, including development of housing under subsection (c) and community development activities assisted under section 1106, shall employ and provide job training opportunities for residents of the housing assisted under the demonstration program and other residents of the new town demonstration area.

(f) FINANCING.—The demonstration program shall provide for coordination with banks, credit unions, and other mortgage lenders to make financing available to purchasers of units developed under the demonstration program through mortgages eligible for insurance under section 1104, and shall give preference to such mortgage lenders who have offices located within or near the new town demonstration area.

(g) SUPPORT FACILITIES.—The demonstration program shall encourage, facilitate, and provide for development of appropriate support facilities to serve residents in the housing developed under the program, including infrastructure and commercial facilities.

(h) NON-FEDERAL FUNDS.—The governing board carrying out the demonstration program shall ensure that not less than 25 percent of the total amounts used to carry out the demonstration program is provided from non-Federal sources, including State or local government funds, any salary paid to staff to carry out the demonstration program, the value of any time, services, and materials donated to carry out the program, the value of any donated building, and the value of any lease on a building.

SEC. 1104. FEDERAL MORTGAGE INSURANCE.

(a) IN GENERAL.—Pursuant to title II and section 251 of the National Housing Act, the Secretary shall (to the extent authority is available pursuant to subsection (d)) insure mortgages under this section involving properties upon which are located dwelling units described in section 1103(c)(3) of this Act that are developed under the new town demonstration programs carried out pursuant to this title.

(b) MORTGAGE TERMS.—Mortgages insured under this section shall—

(1) provide for periodic adjustments in the effective rate of interest charged, which—

(A) for the first 5 years of the mortgage, shall be an annual rate of not more than 7 percent; and

(B) after the expiration of such 5-year period, may increase on an annual basis, but—

(i) shall be limited, with respect to any single interest rate increase, to not more than a 10 percent increase in the annual percentage rate; and

(ii) may not be increased at any time to a rate greater than the rate necessary at such time to fully amortize the outstanding loan balance over the term of the mortgage; and

(2) have a maturity of 35 years from the date of the beginning of the amortization of the mortgage.

(c) BOARD APPROVAL.—The Secretary may provide insurance under this section for a mortgage only if the governing board for the demonstration program for the new town demonstration area in which the property subject to the mortgage is located has indicated to the Secretary approval of the mortgage in connection with the demonstration program.

(d) INSURANCE AUTHORITY.—Using any authority provided pursuant to section 531(b) of the National Housing Act to enter into commitments to insure mortgages in fiscal year 1993, the Secretary shall enter into commitments to insure loans and mortgages under this section with an aggregate principal amount not exceeding such sums as may be necessary to carry out the demonstration under this title. Mortgages insured under this section shall not be considered for purposes of the aggregate limitation on the number of mortgages insured under section 251 of the National Housing Act specified in subsection (c) of such section.

SEC. 1105. SECONDARY SOFT MORTGAGE FINANCING FOR HOUSING.

(a) IN GENERAL.—The Secretary shall, to the extent amounts are provided in appropriation Acts under subsection (e), provide assistance under this section through the governing boards carrying out the new town demonstration programs under this section to assist in the development of housing under the program.

(b) USE.—Any assistance provided under this section shall be used only for costs in planning, developing, constructing, and rehabilitating housing under the demonstration program available for rental or purchase by the occupant. The governing board shall determine, according to the new town plan for the demonstration program, the allocation of amounts of assistance provided under this section.

(c) AMOUNT.—The Secretary may not provide assistance under this section for the development of housing under a demonstration program in an amount exceeding $50,000 per dwelling unit assisted.

(d) SECOND MORTGAGE.—

(1) IN GENERAL.—Assistance under this section shall be repaid in accordance with this subsection. Repayment of the amount of any assistance provided with respect to any building containing rental units or any dwelling unit available for purchase by the occupant that is developed under a demonstration program shall be secured by a second mortgage held by the Secretary on the property involved.

(2) TERMS.—During the period ending upon repayment of the assistance as provided in this subsection, any building containing rental units that is provided assistance under this section shall be used as rental housing subject to the requirements of section 1103(c)(4). During the period ending upon repayment of the assistance as provided in this subsection, any dwelling unit made available for purchase by the occupant that is provided assistance under this section may be sold only to a family having an income not exceeding the amount specified in section 1103(c)(2).

(3) INTEREST.—Any assistance provided under this section for a building or dwelling unit shall bear interest at a rate equivalent to the rate for the most recently marketable obligations issued by the United States Treasury have terms of 10 years. The interest on such assistance shall be required to be repaid only upon sale of the building.

(4) DISCOUNTED REPAYMENT.—The assistance provided under this section for any building containing rental units or any dwelling unit available for purchase by the occupant shall be considered to have been repaid for purposes of this subsection if the original purchaser of the building or the dwelling unit pays to the Secretary an amount equal to 50 percent of the amount of the assistance provided under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for providing assistance under this section.

SEC. 1106. COMMUNITY DEVELOPMENT ASSISTANCE.

(a) IN GENERAL.—The Secretary shall provide assistance under this section, to the extent amounts are provided in appropriation Acts under subsection (f), to units of general local government to address vital unmet needs and to promote the creation of jobs and economic development in connection with the new town demonstration programs carried out under this title.

(b) ELIGIBLE UNITS OF GENERAL LOCAL GOVERNMENT.—Assistance may be provided under this section only to units of general local government—

(1) within whose boundaries are located any portion of the new town demonstration areas described under the new town demonstration plans for the demonstration programs carried out under this title; and

(2) that make certifications to the Secretary that the grantee will comply with the provisions of section 105(b) of the bill, H.R. 4073, 102d Congress (as reported on March 14, 1992, by the Committee on Banking, Finance and Urban Affairs of the House of Representatives), and will comply with a residential antidisplacement and relocation assistance plan described in section 105(c)(2) of such bill.

(c) ELIGIBLE ACTIVITIES.—Activities assisted with amounts provided under this section may include only the following activities:

(1) ACQUISITION OF REAL PROPERTY.—The acquisition of real property (including air rights, water rights, and other interests therein) that is located within the new town demonstration area and is—

(A) blighted, deteriorated, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;

(B) appropriate for rehabilitation or conservation activities;

(C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;

(D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this section;

(E) to be used as a facility for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A of the Public Health Service Act); or

(F) to be used for other public purposes.

(2) CONSTRUCTION OF PUBLIC WORKS AND FACILITIES.—The acquisition, construction, rehabilitation, or installation of public works or public facilities within the new town demonstration area, including buildings for the general conduct of government and facilities for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A of the Public Health Service Act).

(3) CLEARANCE AND REHABILITATION OF BUILDINGS.—The clearance, removal, and rehabilitation of buildings and improvements located within the new town demonstration area, including interim assistance, assistance for facilities for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A of the Public Health Service Act), and assistance to privately owned buildings and improvements.

(4) PROVISION OF PUBLIC SERVICES AND HOUSING.—

(A) PUBLIC SERVICES.—The provision of public services within the new town demonstration area that are concerned with job training and retraining, health care and education, crime prevention, drug abuse treatment and rehabilitation, child care, education, and recreation, which may include the provision of public health and public safety vehicles.

(B) HOUSING ACTIVITIES.—The acquisition and rehabilitation of housing for low- and moderate-income families within the new town demonstration area, except that any grantee that uses amounts received under this section for housing activities under this subparagraph shall make not less than 15 percent of the amount used for such housing activities available only for nonprofit organizations (as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act) for such activities;

(C) LIMITATION.—Not more than 25 percent of the amount of any assistance provided under this section (including program income) to any unit of general local government may be used for activities under this paragraph.

(5) RELOCATION ASSISTANCE.—Relocation payments and assistance for individuals, families, business, organizations, and farm operations that are displaced as a result of activities assisted under this title.

(6) PAYMENT OF ADMINISTRATIVE EXPENSES.—Payment of reasonable administrative costs associated with activities assisted under this section and any expenses of developing the new town plan under section 1102.

(d) ALLOCATION OF ASSISTANCE.—The Secretary may not provide more than 50 percent of any amounts appropriated under this section in connection with any one of the 2 new town demonstration programs carried out under this title.

(e) OTHER REQUIREMENTS.—The provisions of subsections (f), (g), and (h) of section 104, subsections (c) and (d) of section 105, section 107, 108, 109, and 110 of the bill, H.R. 4073, 102d Congress (as reported on March 14, 1992, by the Committee on Banking, Finance and Urban Affairs of the House of Representatives), shall apply to grantees receiving assistance under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for assistance under this section.

SEC. 1107. GOVERNING BOARDS.

(a) PURPOSE.—For purposes of this title, a governing board shall be a board organized for the purpose of developing a new town plan under this title and carrying out a new town development demonstration under this title.

(b) MEMBERSHIP.—Each governing board shall consist of not less than 10 members, who shall include—

(1) residents of the area in which the new town demonstration area under the plan developed by the board is located;

(2) owners of business in such area;

(3) leaders or participants in community groups in such area; and

(4) representatives of financial institutions located or having offices in such area.

(c) ORGANIZATION.—A governing board may organize itself and conduct business in the manner that the board determines is appropriate to carry out the new town development demonstration under this title.

SEC. 1108. REPORTS.

Each governing board carrying out a new town development demonstration under this title shall submit to the Congress the following information:

(1) NEW TOWN PLAN.—Upon approval of the new town plan of the governing board under section 1102(d), a copy of the approved plan.

(2) ANNUAL REPORTS.—For the 5-year period beginning upon the approval of the new town plan, annual reports for each 12-month period during such 5-year period, which shall be submitted within 3 months after the expiration of the 12-month period. Each report shall include a description of any activities during such period to carry out the demonstration program of the governing board, the use during such period of any assistance provided under this title, and any amendments under section 1102(d)(4) to the new town plan approved during such period.

SEC. 1109. DEFINITIONS.

For purposes of this title:

(1) DEMONSTRATION PROGRAM.—The terms "demonstration program" and "program" mean a new town development demonstration program receiving assistance under this title, which is carried out within a new town demonstration area by a governing board.

(2) GOVERNING BOARD.—The term "governing board" means a board established under section 1107.

(3) NEW TOWN DEMONSTRATION AREA.—The term "new town demonstration area" means the area defined in a new town plan in which the new town development demonstration under the plan is to be carried out.

(4) NEW TOWN PLAN.—The terms "new town plan" and "plan" mean a plan under section 1102 developed by a governing board.

(5) UNIT OF GENERAL LOCAL GOVERNMENT.—The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of the State of California.

The CHAIRMAN. No amendment to the substitute is in order except those amendments printed in House Report 102–781. Said amendments shall be considered in the order and manner specified in the report, shall be considered as read, shall not be subject to amendment, and shall not be subject to a demand for a division of the question. Debate on each amendment shall be equally divided and controlled by the proponent and an opponent of the amendment.

AMENDMENT OFFERED BY MR. TORRES

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TORRES: Page 411, after line 19, insert the following new sections:

SEC. 917. DISCLOSURE UNDER TRUTH IN LENDING IN CONNECTION WITH MORTGAGE REFINANCING.

Section 128(b)(2) of the Truth in Lending Act (15 U.S.C. 1638(b)(2)) is amended by striking "transaction, as defined in section 103(W)," and by inserting "transaction (as defined in section 103(W)) or any case in which any such transaction is to be satisfied and superseded by a new transaction with the same consumer and a consensual security interest is created or retained against the consumer's dwelling,".

The CHAIRMAN. Pursuant to the rule, the gentleman from California [Mr. TORRES] will be recognized for 10 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 10 minutes.

The Chair recognizes the gentleman from California [Mr. TORRES].

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

Mr. Chairman, this amendment would simply require lenders to provide borrowers with a truth-in-lending disclosure for mortgage refinance transactions. This disclosure, which is currently required for first-time home mortgages, includes critical information such as the annual percentage rate, the finance charge, and the monthly payment obligation.

Each of these disclosures is important to consumers and helps make them aware of the costs associated with the mortgage. Today, when a consumer refinances a home, the lender is not required to provide a truth-in-lending disclosure statement until just before closing. For the borrower, it is often too late to realize the terms of the loan if the disclosure is given when they are sitting at the closing table.

My amendment would simply require that a borrower receive the truth-in-lending disclosure within 3 days after the application is filed with the lender, just as it is done for first-purchase mortgages. This amendment seeks merely to move up the time at which consumers would receive their credit cost disclosures in home refinance transactions.

Providing early disclosure for refinances will not be an additional burden to or require additional paperwork of lenders. Since lenders must currently provide early credit cost disclosures for home purchases, they already have procedures in place to comply with the requirements.

Mr. Chairman, I say to my colleagues this is a timely amendment. Now that mortgage interest rates are at a 20-year low, our constituents are rushing to refinance in record numbers. In fact, it is anticipated that 3 million homes will be refinanced this year. Let's give these families and individuals the up front disclosures they need to make informed decisions on what is, in most cases, the largest investment of their lives.

These are essential consumer protections. Home refinancing transactions involve virtually the same costs as the initial home purchase. Refinancers should not be treated any differently than applicants seeking mortgages on new purchases. This is a clean, simple, consumer-friendly amendment. I urge its passage.

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

Mr. Chairman, I rise to oppose the Torres amendment. Although seemingly innocuous on its fact, this amendment would add another layer of regulatory burden upon financial institutions, particularly small and community banks.

I would refer to a letter from the Independent Bankers Association of America, dated August 4, in which it says:

> Oppose the Torres amendment to require Truth in Lending disclosures for mortgage refinancing. Many lenders already make the necessary disclosures needed by the consumer to understand their refinancing agreement. This amendment would add unnecessary paper and processing costs to an already lengthy, paper-driven process. Community financial institutions are already breaking their backs under the yoke of regulatory and paperwork burden. Now is not the time to throw more superfluous requirements at them.

Mr. Chairman, I agree wholeheartedly with the IBAA. Ultimately, the increased regulatory burden would only result in lost credit opportunities for other consumers.

The Torres amendment requires truth-in-lending disclosures in cases of mortgage refinancing by consumers. This is an unnecessary and burdensome requirement. Most lenders, in fact, already make these disclosures available to the consumers, and RESPA already requires disclosures at the time of the refinancing application.

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I see no consumer benefit in mandating additional requirements for the new small institutions that try to save their customers the cost of this paperwork. Consumers have adequate protections under RESPA and additional truth-in-lending disclosures would have no benefit.

Moreover, the paperwork and compliance burden placed on the banking industry is seriously affecting the ability of banks to meet the credit needs of their local communities. In the last year alone, Congress has passed over 65 major regulatory provisions affecting bank operations, many of which are not related to safety and soundness. In most cases, this regulatory burden is not shared by other financial firms.

The total cost of bank regulation is staggering—banks spend an estimated $10.7 billion on compliance each year. This amounts to about 12 percent of the industry's operating expense and 59 percent of the industry profits last year. These are resources that otherwise could be used to support the real business of banking—making loans to customers. For example, if only 25 percent of the dollars spent on compliance were redirected in bank capital, it could support $20 to $30 billion per year in additional bank lending. Stemming the tide of new regulations will not only keep banks sound but also will increase the banks' ability to support economic growth, make credit available to more borrowers, and allow banks to compete fairly with nonbank firms.

I would like to point out that last year a conference committee agreed to Mr. TORRES' truth-in-savings proposal which at the time was supposed to be equally harmless as the amendment before us today. Despite the author's good intentions, that law has become one of the major headaches facing banks today, with little apparent consumer benefit.

Finally, many in Congress pay lip-service to tackling the regulatory burden Government is placing on the economy and to alleviating the credit crunch. This amendment will demonstrate how serious we are about these propositions. This amendment will bring almost no consumer benefit, but will add paperwork to the burden facing small institutions while correspondingly driving up the cost of credit to consumers.

Therefore, in closing, I would suggest that we must be cautious in further burdening our financial system, particularly small and community banks. We are already breaking the backs of financial institutions with regulatory burden and now is not the time to be heaping new requirements on them, and I urge a no vote on this amendment.

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

Mr. TORRES. Mr. Chairman, I would like to just reiterate here once again, as I did in my opening statement, that there is no additional paperwork, there are no new requirements. The paperwork is already there. All we are asking for in this amendment is that the disclosure be given to the borrower at the time of application instead of the date of settlement.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. GONZALEZ], chairman of the Committee on Banking, Finance and Urban Affairs.

Mr. GONZALEZ. Mr. Chairman, this amendment, in fact, amends the Truth in Lending Act to make the disclosure provisions of that act apply to the mortgage refinancing processes. These disclosures include a disclosure of the amount financed and the terms of such financing. The disclosures must be made before credit is extended.

The bill makes a similar change when it makes the real estate settlement costs provisos in our statutes apply to second mortgages and refinancing.

I rise in strong support of this amendment for I feel that it is not only proper, but it is long overdue. We have had countless numbers of citizens calling upon us to address this issue, and I want to compliment the gentleman from California [Mr. TORRES] for doing so.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Chairman, I rise in opposition to the amendment offered by the distinguished gentleman from California. The Torres amendment would make all truth-in-lending disclosure provisions applicable to mortgage refinancing transactions.

This amendment is unnecessary for a number of important reasons. Lenders in Kentucky and in other States already make the necessary disclosures needed by consumers to understand their refinancing agreement.

This amendment would simply add additional paper and processing costs to an already lengthy process.

Community lenders in Kentucky and across the Nation would be particularly hurt by the Torres amendment. Indeed, they are already laboring under an excessive burden of paperwork associated with regulatory compliance.

Just yesterday, our House Banking Subcommittee on General Oversight and Investigations, of which I am chairman, convened a hearing on the credit crisis and regulatory burdens imposed on America's financial institutions. Bank and thrift officials, as well as our Federal regulators, agreed that there are already too many regulatory and paperwork burdens imposed under current law. One witness, whose financial institution employed 14 employees, testified that he has had to hire 3 additional people merely to take care of the new regulations and paperwork demands imposed by recent banking laws.

In our current economic climate, I think you will agree that now is not the time to add new burdens on our already overregulated financial institutions. Gathering information takes significant time, often with no discernible benefit either for the consumer or for the general safety and soundness of our financial system as a whole. The stifling effects of all of this redtape are already being felt. We don't need to add any more.

The cost of this particular proposal, I believe, far outweighs any potential benefit it may provide to the consumer. Excessive regulation only ties up resources that could have been devoted to community lending needs.

We need new jobs, not more redtape. For these reasons I urge my colleagues to vote no on the Torres amendment.

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

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

Mr. TORRES. Mr. Chairman, I would tell the gentleman from Kentucky [Mr. HUBBARD], my good colleague, that there is no additional paperwork. This is nothing other than asking, under the amendment to have the paperwork that is already there and required to be brought up front during the process of negotiation as opposed to the end of closing.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Chairman, I rise in support of the Torres amendment. This amendment addresses an important issue that has been prevalent lately in Massachusetts. Numerous consumers in Massachusetts have lost their homes or have been faced with foreclosure procedures. The reason for these proceedings was a second mortgage or mortgage refinancing that was not done in good faith.

During these difficult and trying economic times, many consumers are forced to refinance their mortgage or take out a second mortgage. This process should not be a nightmare. And it has been for many consumers in Massachusetts.

The Torres amendment will require lenders to provide borrowers with truth-in-lending disclosers in mortgage refinancing transaction. Lenders will be required to disclose the terms of the new mortgage and this information would include information on the annual percentage rate of the loan, the finance charges imposed by the lender, and the borrower's monthly repayment obligations. Currently, for disclosures for refinancing transactions, lenders do not have to make these disclosures until closing.

We have to take steps to protect consumers who refinance their homes. I commend the work of Mr. TORRES and I believe the Torres amendment provides us with a rational solution to an unfortunate problem. I urge you to support the Torres amendment.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MCCANDLESS].

Mr. MCCANDLESS. Mr. Chairman, with all due respect to the author of this amendment, I am not convinced that the amendment is not a solution in search of a problem.

The amendment will require comprehensive disclosures within 3 days after applying for a refinanced mortgage.

The disclosures will duplicate information which currently must be given to consumers prior to closing.

By requiring that the information be given within 3 days after application, much of the information will be estimates. A new set of disclosures will still be required prior to closing.

We need to remember that we don't legislate in a vacuum. If we add another layer of bureaucracy to the refinancing process, consumers will ultimately have to pay for it.

The question we need to ask is whether this amendment is really necessary.

Some have suggested that the amendment may be necessary to end what have been called settlement day ambushes, where consumers find higher settlement or financing costs than expected.

The Subcommittee on Consumer Affairs, which the gentleman from California chairs, and on which I serve as the ranking Republican, held 1 day of hearings on the broader issue of mortgage refinancing in late May.

At that time, the Federal Reserve testified that in the past 18 months they have received 3,300 complaints. Of those 3,300 complaints, only 3 dealt with the disclosure of information.

The Fed stated:

> It does not appear that widespread consumer problems exist. Because a significant increase in compliance burden likely would result from enactment of the proposed amendments to the Truth in Lending Act, we believe that a clear need for additional legislation should be established before Congress acts.

That need has not been established.

More importantly, when it comes to mortgages and refinancing, the consumer has the ultimate protection.

If any transaction involves a new security interest or lien on the consumer's principal residence, the consumer has an unlimited right to rescind the transaction within 3 business days after it is consummated.

If the consumer, for any reason, elects to rescind the transaction, all fees—including application fees, appraisal fees, charges for credit reports, et cetera—must be refunded in full to the consumer within 20 days after rescission.

That right of rescission provides the consumer with more protection from settlement day ambushes than will this amendment.

This amendment has not been fully considered by any committee or subcommittee.

The author of this amendment could have brought the issue before his subcommittee for a markup.

He could have offered this amendment when the housing bill was before the Banking Committee.

Instead, we see this amendment for the first time on the floor of the House.

Mr. Chairman, although the amendment is well intended, I am not convinced that its limited benefits outweigh its costs to consumers.

Consequently, I must oppose it.

□ 1320

Mr. TORRES. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. WATERS], a member of the committee.

Ms. WATERS. Mr. Chairman, I support the amendment offered by my friend and colleague the gentleman from California [Mr. TORRES]. His

amendment is proconsumer, yet it places no significant burden on financial institutions involved in mortgage lending.

Since the financing laws were written long ago, many financial arrangements, which were then infrequent, have witnessed a dramatic increase in demand.

With the tightening credit crunch and a lingering recession, homeowners are seeking out opportunities to save their homes and their families from homelessness. Refinancing home mortgages is one option that is now in high demand, especially now that interest rates are low.

Mr. Chairman, we must do everything in our power to protect homeowners who are trying to protect themselves and their families from a weak economy.

This amendment will require that financial institutions give sufficient notice to refinancing borrowers notifying them of the terms of their loans.

The amendment is fair and I strongly support its passage.

The CHAIRMAN pro tempore (Mr. KOSTMAYER). The Chair would advise that the gentleman from Ohio [Mr. WYLIE] has 1 minute remaining, and the gentleman from California [Mr. TORRES] has 3½ minutes remaining.

Mr. TORRES. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I rise in support of this amendment to require lenders to provide borrowers with truth-in-lending disclosures in mortgage refinancing transactions. Specifically, lenders would be required to provide borrowers with disclosures concerning the terms of the new mortgage within 3 days of the application filing. Currently, lenders must make timely disclosures for an original mortgage. However, lenders may wait to just before closing for refinancing mortgages. This is unfair to the borrower who in many instances is refinancing to meet emergency needs.

This amendment would allow the consumer to know the terms of the loan, such as annual percentage rate, the finance charge, and their monthly payment obligation, before they sit down at the table for closing. Therefore, with this amendment, the consumer will be fully informed and prepared for all costs necessary to secure the mortgage.

I commend Mr. TORRES for his work on this issue and urge my colleagues to support him.

Mr. WYLIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. COX].

Mr. COX of Illinois. Mr. Chairman, I rise in opposition to the amendment which I think creates a redundancy that is already required in the law.

Mr. Chairman, I rise in opposition to the Torres amendment to require truth-in-lending disclosures for mortgage refinancing.

I want to share with my colleagues my personal experience as a private attorney practicing law in Galena, IL. I sat through many real estate closings and had the opportunity to review and explain to my clients the disclosure documents referred to in this amendment.

This amendment would not clarify the purchasing process for the borrower, but instead, would make the process of borrowing money from a financial institution even more confusing. Currently, a requirement exists to provide the borrower with full disclosure of the terms of any loan transaction at the closing. The Torres amendment would add an additional disclosure requirement within 3 days after the borrower applies for the refinancing. This is an unnecessary redundancy. It is important to keep in mind that the borrower went through this process initially at the time of the original loan. To increase multiple disclosures at the time of refinancing is absolutely unnecessary and simply fills loan files with paper.

Often, what we perceive from Washington to be helpful to the consumer only hinders transactions and passes additional costs on to the consumer. I don't believe that we are doing a service to the taxpayer by enacting such legislation.

I appreciate Chairman TORRES' continued interest in representing consumers when we consider legislation regarding the financial services industry. However, I do not believe that this amendment is the best means to achieve that end. I urge Members to oppose the Torres amendment.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I find it ironic that I am refinancing my house next week. I have checked with four different institutions, and in every single case, all I have had to do was ask for information and the information was provided.

Mr. Chairman, my biggest complaint with the amendment, and I would say to my colleague from California [Mr. TORRES], I think the gentleman has very good intentions, but I think if we look at the State of California especially, the regulations we already have on banks, all the way from construction to home loans to refinancing, the burden is killing us out there.

Mr. Chairman, in my own case, and I have a lot of friends that have recently refinanced their homes at the low interest rates, all you have to do right now is ask and they will give you any information that you desire as far as payments, what your costs are going to be, every item that they charge you for, and I think this is a burdensome paperwork drill on the banks.

Mr. Chairman, the gentlewoman from California [Ms. WATERS] said that there was no burden. Well, the gentleman from Ohio [Mr. WYLIE] just represented from the IBAA that there are burdens.

Mr. Chairman, I oppose the amendment.

Mr. TORRES. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. TORRES] is recognized for 2½ minutes.

Mr. TORRES. Mr. Chairman, I thank my colleagues today for support of this legislation. Let me say emphatically that the people that are speaking against this amendment are in fact against truth in lending.

Mr. Chairman, this is already a part of the law. Let me cite section 226.20 about disclosures.

A refinancing is a new transaction requiring new disclosures to the consumer.

Mr. Chairman, all we are asking is that this information be brought forward three days after application for a loan, as opposed to the last minutes of settlement.

The Federal Trade Commission has received numerous telephone inquiries from consumers regarding the costs of home refinancing. Many of these callers complained about the lack of information regarding financing costs until minutes before closing, and the difficulty of obtaining information from lenders on rates and points.

I congratulate the gentleman from California [Mr. CUNNINGHAM]. Perhaps as a Congressman the gentleman received expeditious treatment. The number of complaints appears to indicate a substantial concern. The Federal Trade Commission rarely receives more than a handful of complaints, but this time they are inundated. The Federal Reserve said they do not have many complaints, but we have hundreds of letters in our subcommittee. The Federal Trade Commission I have already told Members about.

Mortgage bankers testified before our committee in support of this legislation. This legislation helps the banks, but, more importantly, it helps the consumers, especially in these economic times.

Mr. Chairman, I submit once again that if Members are against this amendment, they are against truth in lending.

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

Mr. TORRES. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, the gentleman indicated that this information is already required by law.

Mr. TORRES. That is correct.

Mr. WYLIE. And the gentleman wants it to be required twice by law.

Mr. TORRES. Mr. Chairman, reclaiming my time, it is already required by law. This amendment asks for the information to be brought forward to the borrower when he applies for a loan as opposed to the last second when settlement takes place, when the borrower does not know the costs, the rates, and so on.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. TORRES].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 268, answered "present" 1, not voting 12, as follows:

[Roll No. 364]

AYES—153

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Aspin
Atkins
AuCoin
Bellenson
Bennett
Berman
Blackwell
Boehlert
Bonior
Borski
Boxer
Brown
Bruce
Bryant
Byron
Cardin
Carper
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Coyne
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
Evans
Fascell
Fawell
Fazio
Flake
Foglietta
Frank (MA)
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Green
Guarini
Hayes (IL)
Hochbrueckner
Hughes
Jacobs
Jefferson
Johnson (SD)
Jones (GA)
Jones (NC)
Jontz
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lantos
LaRocco
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Long
Lowey (NY)
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McDermott
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Mink
Moakley
Moody
Mrazek
Natcher
Neal (MA)
Oakar
Olin
Olver
Ortiz
Owens (NY)
Pallone
Panetta
Pastor
Patterson
Payne (NJ)
Pease
Pelosi
Perkins
Pickle
Rangel
Reed
Richardson
Rostenkowski
Roybal
Sabo
Sanders
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Shays
Sikorski
Smith (FL)
Solarz
Spratt
Stark
Stokes
Studds
Swift
Synar
Torres
Towns
Traficant
Unsoeld
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Wise
Wolpe
Wyden
Yates

NOES—268

Allard
Allen
Andrews (TX)
Anthony
Applegate
Archer
Armey
Bacchus
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Billey
Boehner
Boucher
Brewster
Brooks
Broomfield
Browder
Bunning
Burton
Bustamante
Callahan
Camp
Campbell (CA)
Carr
Chandler
Chapman
Clinger
Coble
Coleman (MO)
Combest
Condit
Costello
Coughlin
Cox (CA)
Cox (IL)
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
DeLay
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Durbin
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Espy
Ewing
Feighan
Fields
Fish
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hoagland
Hobson
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (CT)
Johnson (TX)
Johnston
Kanjorski
Kaptur
Kasich
Klug
Kolbe
Kopetski
Kyl
LaFalce
Lagomarsino
Lancaster
Laughlin
Leach
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken
Machtley
Manton
Marlenee
Martin
Martinez
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Neal (NC)
Nichols
Nowak
Nussle
Oberstar
Obey
Orton
Owens (UT)
Oxley
Packard
Parker
Paxon
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Rowland
Russo
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Sensenbrenner
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Staggers
Stallings
Stearns
Stenholm
Stump
Sundquist
Swett
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Whitten
Williams
Wilson
Wolf
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED "PRESENT"—1

Cooper

NOT VOTING—12

Barnard
Campbell (CO)
Conyers
Dickinson
Ford (MI)
Ford (TN)
Hatcher
Hertel
Schulze
Torricelli
Traxler
Volkmer

□ 1347

Messrs. FEIGHAN, ROBERTS, RAHALL, OBERSTAR, HOYER, HALL of Ohio, and BILBRAY changed their vote from "aye" to "no."

Messrs. MCDERMOTT, DWYER of New Jersey, and HUGHES, and Ms. LONG changed their vote from "no" to "aye."

Mr. COOPER changed his vote from "aye" to "present."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 102-781.

For what purpose does the gentleman from Texas [Mr. GONZALEZ] rise?

AMENDMENTS EN BLOC OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. GONZALEZ:

Page 9, line 15, before the semicolon insert the following: "; except that not more than 49 percent of any amounts appropriated under this clause may be used for vouchers under section 8(o)".

Page 16, line 13, strike "8(q)(3)" and insert "8(x)".

Page 16, line 14, strike "8(q)(4)" and insert "8(i)".

Page 17, line 19, strike "8(o)" and insert "8(r)".

Page 25, line 16, strike the quotation marks and the second period.

Page 25, after line 16, insert the following:

"(F)(i) For each fiscal year for which amounts are reserved or appropriated for the purposes of this paragraph, the Secretary shall establish performance goals to evaluate the effectiveness of the use of such amounts. The goals shall—

"(I) be designed to maximize the effectiveness of the expenditures in a quantifiable manner; and

"(II) describe the number of units to be redesigned, redeveloped, and reconstructed with such amounts and improvements in the management of projects so assisted to be accomplished with such amounts.

"(ii) Not later than 60 days after the end of each such fiscal year, the Secretary shall submit a report to the Congress, which shall describe the performance goals established for the fiscal year, the activities carried out with such amounts, and a statement of whether the performance goals were met. If the performance goals were not met, the report shall contain—

"(I) an explanation of why the goals were not met and a description of any managerial deficiencies or legal problems that contributed to not meeting such goals;

"(II) plans and a schedule for achieving the level of performance under such performance goals;

"(III) recommendations for legislative or regulatory changes necessary to achieve the performance goals or improve performance; and

"(IV) a statement of whether the performance goals established for the fiscal year were impractical or infeasible, and, if so, the factors that contributed and resulted in establishing such impractical or infeasible goals and recommendations of actions to meet such goals, which may include changing the goals or altering or eliminating the program under this paragraph for major reconstruction of projects.".

Page 30, line 6, strike "(5)" and insert "(6)".

Page 30, line 12, strike "(5)" and insert "(6)".

Page 30, after line 20, insert the following new subsection:

(e) RESERVATION OF ANNUAL CONTRIBUTIONS FOR ACTIVITIES UNDER PLAN.—Section 14(p) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)) is amended—

(1) by redesignating paragraphs (3), (4), and (5) (as amended by the preceding provisions of this section) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3)(A) Upon the expiration of the 24-month period beginning upon the receipt of assistance under paragraph (5) by a public housing agency, the Secretary shall, after reviewing the progress made in complying with the plan, reserve from the annual contribution attributable to each unit vacant for the 24-month period an amount determined by the Secretary but not exceeding 80 percent of such contribution. The Secretary may not reserve any amounts under this subparagraph for any vacant dwelling unit that is vacant because of modernization, reconstruction, or lead-based paint reduction activities.

"(B) The Secretary shall deposit any amounts reserved under subparagraph (A) in a separate account established on behalf of the public housing agency, and such amounts shall be available to the agency only for the purpose of carrying out activities in compliance with the vacancy reduction plan of the agency.

"(C) If, after the expiration of the 24-month period beginning upon the reservation under subparagraph (A) of amounts for a public housing agency, the Secretary determines that the agency has not made significant progress to comply with the provisions of the vacancy reduction plan of the agency, the amount remaining in the account for the agency established under subparagraph (B) shall be recaptured by the Secretary.".

Page 30, line 21, strike "(e)" and insert "(f)".

Page 31, line 9, before "Section" insert "(a) COORDINATION WITH TENANTS.—".

Page 31, after line 12, insert the following new subsection:

(b) REPLACEMENT PLAN.—Section 18(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437p(b)(3)) is amended—

(1) in subparagraph (A)—

(A) in clause (ii), by inserting before the semicolon at the end the following: "to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under section 8 having a term of not less than 5 years";

(B) in clause (iii), by inserting before the semicolon at the end the following: "to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under other Federal programs having a term of not less than 5 years";

(C) in clause (v), by inserting before the semicolon the following: "to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of tenant-based assistance under section 8 (excluding vouchers under section 8(o)) having a term of not less than 5 years"; and

(D) in clause (vi), by inserting ", as determined by the agency" before the semicolon at the end;

(2) by redesignating subparagraphs (B) through (G) as subparagraphs (C) through (H), respectively; and

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

"(B) in the case of an application proposing demolition or disposition of 200 or more units, shall provide that (notwithstanding the limitation under section 8(d)(2)(A) on the amount of project-based assistance provided by an agency)—

"(i) not less than 50 percent of such additional dwelling units shall be provided through the acquisition or development of additional public housing dwelling units or through project-based assistance; and

"(ii) not more than 50 percent of such additional dwelling units shall be provided through tenant-based assistance under section 8 (excluding vouchers under section 8(o)) having a term of not less than 5 years;".

Page 32, after line 20, insert the following new subsection:

(c) TRANSFER OF MANAGEMENT BY RESIDENTS.—Section 20 of the United States Housing Act of 1937 (42 U.S.C. 1437r) is amended—

(1) by striking the section heading and inserting the following new heading:

"PUBLIC HOUSING RESIDENT MANAGEMENT AND TRANSFER OF MANAGEMENT BY RESIDENTS";

(2) in subsection (a), by striking "The purpose" and all that follows through "residents by—" and inserting the following: "The purpose of this section is to encourage choice in management of troubled public housing projects by residents and increased resident management of public housing projects, as a means of improving living conditions in public housing projects, by providing for resident councils and resident management corporations to transfer the management of troubled projects to alternative managers and by providing increased flexibility for public housing projects that are managed by residents by—";

(3) in subsection (b)—

(A) in paragraph (1), by inserting "REQUIREMENTS FOR RESIDENT MANAGEMENT" after "RESIDENT COUNCIL";

(B) in paragraph (2)—

(i) by inserting "(A) in the case of council establishing a resident management corporation," after "specialist"; and

(ii) by inserting before the period at the end the following: ", or (B) in the case of a council seeking to transfer management of a troubled public housing project under this section, to assist in identifying and acquiring a capable manager for the project";

(C) in paragraph (3), by inserting "or manager" after "resident management corporation" each place it appears;

(D) in the first sentence of paragraph (4)—

(i) by inserting "or manager" after "corporation" each place it appears; and

(ii) by inserting before "establishing" the following: "(and, in the case of a manager, with the Secretary)";

(E) in paragraph (5), by inserting "or manager" after "corporation";

(F) by redesignating paragraphs (2) through (5) (as amended by this paragraph) as paragraphs (3) through (6), respectively; and

(G) by inserting after paragraph (1) the following new paragraph:

"(2) REQUIREMENTS FOR TRANSFER OF MANAGEMENT OF TROUBLED PROJECTS BY RESIDENTS.—

"(A) AUTHORITY.—The elected resident council for a troubled public housing project (as established by the approval of a majority of the households of the specific troubled public housing project) or the resident management corporation for such a project may apply to the Secretary to transfer the management of the troubled public housing project from the troubled public housing agency or resident management corporation to an alternative manager, and the Secretary may transfer such management pursuant to such an application. An application for such transfer may be submitted only if a majority of the members of the board of the resident council or resident management corporation has voted in favor of the transferring management responsibilities, and a majority of the residents of the troubled public housing project to be transferred has also voted in favor of the transfer in an election supervised by a disinterested third party.

"(B) APPLICATION.—

"(i) IN GENERAL.—The Secretary shall provide for resident councils and resident management corporations to submit applications for transfer of management of troubled public housing projects under this section. The Secretary shall establish the form and procedures for such applications in accordance with the requirements of this subparagraph.

"(ii) PHA COMMENT.—The public housing agency that owns or operates the troubled public housing project involved shall have a reasonable opportunity to submit to the Secretary any comments regarding the application, as the Secretary shall prescribe, and may present to the resident council or resident management corporation a proposal for the management of the housing by the agency. The resident council or resident management corporation shall give reasonable consideration to any such proposal.

"(iii) CONTENTS.—Each application shall contain—

"(I) a description of the resident council or resident management corporation and documentation of its authority;

"(II) documentation of the votes required under subparagraph (A);

"(III) a description of the proposed manager and documentation of the capacity of the proposed manager to manage the troubled public housing project;

"(IV) a management plan describing how the manager will carry out the responsibilities for managing the troubled public housing project;

"(V) a detailed plan for the use of any rehabilitation funding under this Act for the troubled public housing project and for the use of any modernization funding for the project received during the ensuing 5 years pursuant to subsection (c);

"(VI) documentation identifying the project for which the application is submitted, and identifying the project as a troubled public housing project;

"(VII) documentation of compliance with the requirements under clause (ii); and

"(VIII) any other information that the Secretary considers appropriate.

"(iv) REVIEW AND APPROVAL BY SECRETARY.—The Secretary may approve any application under this subparagraph that meets the requirements under this paragraph.

"(C) CONTRACT.—In addition to other contract provisions required under this section, a contract under paragraph (5) between the resident council or resident management corporation, the Secretary, and the public housing agency for transfer of management of a troubled public housing project shall—

"(i) provide for the manager to receive operating subsidies for the troubled public housing project pursuant to subsection (e) that would otherwise be provided to the public housing agency or resident management corporation;

"(ii) provide for modernization funding for the project under subsection (c); and

"(iii) require the manager to carry out, for the troubled public housing project, all management responsibilities applicable to public housing agencies owning or operating public housing projects, including (I) maintaining the units in decent, safe, and sanitary condition in accordance with any standards for public housing established or adopted by the

Secretary, (II) determining eligibility of applicants for occupancy of units subject to the requirements of this Act, (III) selecting tenants for occupancy of units subject to the requirements and preferences under this Act, (IV) determining the amount of rent paid for units in accordance with this Act, and (V) terminating tenancies in accordance with the requirements of this Act.

"(D) EXTENSION AND EXPIRATION OF CONTRACTS.—The Secretary shall provide for a resident council or resident management corporation that has entered into a contract under this paragraph to (i) approve the renewal of such contract, subject to the approval of the Secretary and the manager, or (ii) disapprove renewal and submit an application to the Secretary in accordance with subparagraph (B) proposing another manager, which may be the public housing agency.

"(E) DEFAULT.—If the Secretary determines that a manager is in default of its responsibilities under the contract, the Secretary may require the resident council or resident management corporation to submit an application proposing a different manager, which may be the public housing agency.

"(F) LIABILITY.—With respect to any troubled public housing project for which management has been transferred under this paragraph, the public housing agency shall not be liable for any act or failure to act by the manager, resident council, or resident management corporation.

"(G) PROHIBITION ON DISPLACEMENT BEFORE TRANSFER.—The public housing agency that owns or operates a troubled public housing project for which an application under this paragraph has been submitted may not involuntarily displace (as determined by the Secretary) any resident of the project during the period beginning upon submission of the application and ending upon the transfer of management of the project or the date of disapproval of the application.

"(H) MONITORING.—The Secretary shall monitor the performance of managers under this section and shall assess their management performance using the performance indicators established under section 6(j)(1).

"(I) REPORTS BY MANAGERS.—The Secretary shall require each manager managing a troubled public housing project pursuant to this section to submit to the Secretary reports as the Secretary considers appropriate, which shall include an annual financial audit.";

(4) in subsection (c)—

(A) by striking "COMPREHENSIVE IMPROVEMENT ASSISTANCE" and inserting "MODERNIZATION ASSISTANCE";

(B) by striking "comprehensive improvement assistance" and inserting "modernization assistance"; and

(C) by inserting after the period at the end the following new sentence "Any modernization assistance under section 14 for a troubled public housing project for which management has been transferred under this section shall be provided to the manager of the project.";

(5) in subsection (d)—

(A) in paragraph (1)—

(i) by inserting "managing a project or any manager," after "corporation" the first place it appears; and

(ii) by inserting "or manager," after "corporation" the second place it appears; and

(B) in paragraph (2), by inserting "managing a project, or any resident council or resident management corporation that has transferred management of a project" before the first comma;

(6) in subsection (e)—

(A) in paragraph (1), by inserting "or manager" after "corporation";

(B) in paragraph (2)—

(i) by inserting "under this section" after "Any contract"; and

(ii) by striking "entered into by a public housing agency and a resident management corporation" and inserting "by a resident management corporation, or for management of a troubled public housing project by a manager,";

(C) in paragraph (3)—

(i) in subparagraph (A)—

(I) by inserting "or manager" after "corporation" the first place it appears;

(II) by striking "date of the enactment of the Housing and Community Development Act of 1987 or on any later"; and

(III) by inserting "or on which management of the project is transferred to the manager, as applicable" before the period at the end; and

(ii) in subparagraph (B), by inserting "or manager" after "corporation" each place it appears; and

(D) in paragraph (4), by inserting "or manager" after "corporation" each place it appears; and

(7) by striking subsection (g) and inserting the following new subsection:

"(g) DEFINITIONS.—For purposes of this section:

"(1) The term 'manager' means an entity that

"(A) is—

"(i) a public or private nonprofit organization (including, as determined by the Secretary, such an organization sponsored by the public housing agency);

"(ii) a for-profit entity;

"(iii) a public body, including an agency of instrumentality thereof;

"(iv) a public housing agency (not including the public housing agency that owns or operated the project); or

"(v) any other entity approved by the Secretary (not including a resident council); and

"(B) that has entered into a contract under this section with the Secretary for the management of a troubled public housing project.

"(2) The term 'private nonprofit organization' means any private organization (including a State or locally chartered nonprofit organization) that—

"(A) is incorporated under State or local law;

"(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

"(C) complies with standards of financial accountability acceptable to the Secretary; and

"(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

The term includes resident management corporations.

"(3) The term 'public nonprofit organization' means any public nonprofit entity, except the public housing agency that owns the eligible housing.

"(4) The term 'troubled public housing project' means a public housing project (as such term is defined in subsection (a)) that is owned or operated by a public housing agency (not including an Indian housing authority) with 250 or more units that has been designated as a troubled public housing agency for the current Federal fiscal year and for the 2 preceding Federal fiscal years under section 6(j)(2)(A)(i).".

Page 40, strike line 19 and all that follows through line 22 on page 93, and insert the following new section:

SEC. 141. AMENDMENTS TO SECTION 8 RENTAL ASSISTANCE PROGRAM.

(a) PREFERENCES FOR VETERANS WITH DISABILITIES THAT PREVENT USE OF THE HOME.—

(1) CERTIFICATES.—Section 8(d)(1)(A)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)(i)) is amended by inserting after "homeless families" the following: ", and including veterans who are eligible and have applied for such assistance, who will use such assistance for a dwelling unit designed for the handicapped, and who, upon discharge or eligibility for discharge of the veteran from a hospital or nursing home, have a physical disability which, because of the configuration of the veteran's home, prevents the veteran from access to or use of such home".

(2) VOUCHERS.—The first sentence of section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended by inserting after "homeless families" the following: ", and including veterans who are eligible and have applied for such assistance, who will use such assistance for a dwelling unit designed for the handicapped, and who, upon discharge or eligibility for discharge of the veteran from a hospital or nursing home, have a physical disability which, because of the configuration of the veteran's home, prevents the veteran from access to or use of such home".

(b) TERMINATION OF TENANCY FOR CRIMINAL ACTIVITY.—Section 8(d)(1)(B)(iii) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(B)(iii)) is amended—

(1) by inserting ", any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises," before "or any drug-related"; and

(2) by striking "public housing tenant" and inserting "tenant of any unit".

(c) MAINTENANCE AND REPLACEMENT.—Section 8(d)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)) is amended—

(1) in subparagraph (C), by striking "and" at the end;

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

(3) by inserting after subparagraph (C) the following new subparagraphs:

"(D) if the agency (or the Secretary) determines that a unit assisted under this section fails to comply in any material respect with standards for housing quality for units so assisted, the agency (or the Secretary) may withhold some or all of the assistance amounts under this section with respect to such unit and promptly—

"(i) use such amounts to make necessary repairs or contract to have such repairs made;

"(ii) release any withheld amounts to the owner after repairs are made by the owner, in an amount not exceeding the cost of the repairs;

"(iii) release any withheld amounts to the applicable State or local housing agency after repairs are made by such agency, in an amount not exceeding the cost of the repairs; or

"(iv) upon the request of the tenant, release any withheld amounts to (I) the tenant to reimburse the tenant for the reasonable cost of any necessary repairs performed or paid for by the tenant, or (II) such person secured by the tenant and approved by the agency (or the Secretary) to make such necessary repairs;

"(E) if an agency (or the Secretary) withholds any assistance amounts pursuant to subparagraph (D), the agency (or the Secretary) may not terminate the assistance contract unless and until the tenant has relocated to decent, safe, and sanitary housing; and".

(d) PORTABILITY.—

(1) IN GENERAL.—Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended to read as follows:

"(r) PORTABILITY OF ASSISTANCE.—

"(1) AUTHORITY.—Except as provided in paragraph (2), any family on behalf of whom is provided tenant-based rental assistance under this section and who moves to an eligible dwelling unit located within the same State, or the same or a contiguous metropolitan statistical area as the metropolitan statistical area served by the public housing agency providing the assistance on behalf of the family shall be provided with tenant-based assistance for rental of the new dwelling unit, to the extent amounts are available pursuant to this subsection.

"(2) LOCAL OPTIONS TO ENSURE MINIMUM AREA RESIDENCY.—

"(A) SMALL PHA'S.—Any public housing agency that provides tenant-based rental assistance under this section on behalf of less than 300 families in a year may, at the discretion of the agency, prohibit any family from using tenant-based assistance to rent an eligible dwelling unit that is not located within the area of jurisdiction of the agency approving the assistance unless, before such use, the family has rented and occupied an eligible dwelling unit within such jurisdiction for not less than 12 consecutive months using assistance provided by such agency.

"(B) LARGE PHA'S.—Any public housing agency that provides tenant-based rental assistance on behalf of 300 or more families in a year may, at the discretion of the agency, prohibit families from using tenant-based rental assistance to rent an eligible dwelling unit that is not located within the area of jurisdiction of the agency approving the assistance unless, before such use, the family has rented and occupied an eligible dwelling unit within such jurisdiction for not less than 12 consecutive months using assistance provided by such agency; except that the agency may not restrict the use of such assistance with respect to assistance provided on behalf of 10 percent of the number of families receiving such assistance that exceeds 300.

"(3) PROVISION OF ASSISTANCE BY PHA IN NEW LOCATION.—Except as provided under paragraphs (4) and (5), the public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall provide assistance under this section on behalf of the family from amounts provided to the agency for assistance under this section.

"(4) PROVISION OF ASSISTANCE BY ORIGINAL PHA.—If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance for the family and the dwelling from which the family moved shall provide assistance under this section on behalf of such family with respect to the new dwelling unit of the family.

"(5) PROVISION OF ASSISTANCE FROM HEADQUARTERS RESERVE.—If, in any fiscal year, the amount of assistance provided pursuant to paragraph (3) by any public housing agency on behalf of families who have moved into dwelling units located within the area of jurisdiction of the agency exceeds the lesser of (i) 5 percent of the total amount received by the agency for assistance under this section for the fiscal year, or (ii) the amount necessary to assist 25 percent of the average annual number of families previously assisted by the agency who relinquish assistance in a year (based on the preceding 3 calendar years), then the assistance provided under this section on behalf of a family shall be provided from amounts for assistance under this section reserved under section 213(d)(4) of the Housing and Community Development Act of 1974, to the extent such amounts are available.".

(2) RESERVATION OF AMOUNTS UNDER HEADQUARTERS RESERVE.—Section 213(d)(4)(A) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(4)(A)) is amended—

(A) by inserting after the period at the end of the first sentence the following new sentence: "In addition to any financial assistance for the rental housing assistance program under section 8 of the United States Housing Act of 1937 that is reserved pursuant to the preceding sentence, the Secretary shall retain an additional 5 percent of the financial assistance that becomes available under such program during any fiscal year and such additional amount may be used only for the purpose under clause (v) of this subparagraph.";

(B) in clause (iii), by striking "and" at the end;

(C) in clause (iv), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following new clause:

"(v) in the case of financial assistance under the rental housing assistance program under section 8 of the United States Housing Act of 1937, providing assistance pursuant to section 8(r)(5) of such Act.".

(e) DEFINITIONS.—Section 8(f) of the United States Housing Act of 1937 (42 U.S.C. 1437f(f)) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) the term 'project-based assistance' means rental assistance under subsection (b) that is attached to the structure pursuant to subsection (d)(2); and

"(7) the term 'tenant-based assistance' means rental assistance under subsection (b) or (o) that is not project-based assistance.".

Page 91, strike line 22 and all that follows through line 16 on page 92.

Page 92, line 17, strike "(c)" and insert "(b)".

Page 93, line 11, strike "(d)" and insert "(c)".

Page 98, after line 19, insert the following new subsection:

(b) FISCAL YEAR 1993 SET-ASIDES.—Section 5130(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(b)) is amended—

(1) by striking "SET-ASIDE FOR ASSISTED HOUSING" and inserting "SET-ASIDES"; and

(2) by inserting after the period at the end the following new sentence: "Notwithstanding any other provision of law, of any amounts appropriated for drug elimination grants under this chapter for fiscal year 1993, not more than 6.25 percent shall be available for grants for federally assisted low-income housing and 0.5 percent shall be available for public housing youth sports program grants under section 520 of the Cranston-Gonzalez National Affordable Housing Act.".

Page 98, line 20, strike "(b)" and insert "(c)".

Page 99, line 5, strike "(c)" and insert "(d)".

Page 105, after line 5, insert the following new subsections:

(d) ELIGIBILITY FOR COUNSELING ASSISTANCE UNDER HOUSING AND URBAN DEVELOPMENT ACT OF 1968 AND CERTIFICATION AND TRAINING PROGRAM.—Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended by adding at the end the following new subsections:

"(e) CERTIFICATION.—

"(1) REQUIREMENT FOR ASSISTANCE.—An organization may not receive assistance for counseling activities under subsection (a)(1)(iii), (a)(2), (c), or (d), unless the organization provides such counseling only by individuals who have been certified by the Secretary under this subsection as competent to provide such counseling.

"(2) STANDARDS AND EXAMINATION.— The Secretary shall, by regulation, establish standards and procedures for testing and certifying counselors. Such standards and procedures shall require for certification that individual shall demonstrate, by written examination (as provided under subsection (f)(4)), competence to provide counseling in each of the following areas:

"(A) Financial management.

"(B) Property maintenance.

"(C) Responsibilities of homeownership and tenancy.

"(D) Fair housing laws and requirements.

"(E) Housing affordability.

"(F) Avoidance of, and responses to, rental and mortgage delinquency and avoidance of eviction and mortgage default.

"(3) ENCOURAGEMENT.—The Secretary shall encourage organizations engaged in providing homeownership and rental counseling that do not receive assistance under this section to employ individuals to provide such counseling who are certified under this subsection or meet the certification standards established under this subsection.

"(f) HOMEOWNERSHIP AND RENTAL COUNSELOR TRAINING AND CERTIFICATION PROGRAMS.—

"(1) ESTABLISHMENT.—To the extent amounts are provided in appropriations Acts under paragraph (7), the Secretary shall contract with a single appropriate private entity (which may be a nonprofit organization) to carry out a program under this subsection to train individuals to provide homeownership and rental counseling and to administer the examination under subsection (e)(2) and certify individuals under such subsection.

"(2) ELIGIBILITY AND SELECTION.—

"(A) ELIGIBILITY.—To be eligible to provide the training and certification program under this subsection, an entity shall have been continuously engaged in training and certifying homeownership and rental counselors on a national basis for at least the 10-year period ending upon application under subparagraph (B).

"(B) SELECTION.—The Secretary shall provide for private entities meeting the requirements of subparagraph (A) to submit applications to provide the training and certification program under this subsection. The Secretary shall select an application based on the ability of the entity to—

"(i) establish the program as soon as possible on a national basis, but not later than the date under paragraph (6);

"(ii) minimize the costs involved in establishing the program; and

"(iii) effectively and efficiently carry out the program.

"(3) TRAINING.—The Secretary shall require that training of counselors under the

program under this subsection be designed and coordinated to prepare individuals for successful completion of the examination for certification under subsection (e)(2). The Secretary, in consultation with the private entity selected under paragraph (2)(B), shall establish the curriculum and standards for training counselors under the program.

"(4) CERTIFICATION.—The private entity selected under paragraph (2)(B) shall administer the examination under subsection (e)(2) and, on behalf of the Secretary, certify individuals successfully completing the examination. The Secretary, in consultation with such private entity, shall establish the content and format of the examination.

"(5) FEES.—The private entity selected under paragraph (2)(B) may establish and impose fees for participation in the training provided under the program and for examination and certification under subsection (e)(2). The amount of any fees shall be sufficient to cover any costs of such activities not covered with amounts provided under paragraph (7).

"(6) TIMING.—The private entity selected under paragraph (2)(B) to carry out the training and certification program shall establish the program as soon as possible after such selection, and shall make training and certification available under the program on a national basis not later than the expiration of the 1-year period beginning upon such selection.

"(7) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $2,000,000 for fiscal year 1993.".

(e) ELIGIBILITY FOR COUNSELING ASSISTANCE UNDER SPECIAL MORTGAGE INSURANCE PROGRAM.—Section 237(e) of the National Housing Act (12 U.S.C. 1715z-2(e)) is amended by inserting after the period at the end of the first sentence the following new sentence: "An organization may not receive amounts made available under subsection (g) unless the organization provides counseling services under this subsection only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968.".

(f) APPLICABILITY OF CERTIFICATION AND TRAINING REQUIREMENTS.—

(1) FAMILY SELF-SUFFICIENCY PROGRAM.—Section 23(c)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)(4)) is amended by inserting after the period at the end the following new sentence: "Any such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968.".

(2) HOPE FOR PUBLIC AND INDIAN HOUSING HOMEOWNERSHIP.—

(A) PLANNING GRANTS.—Section 302(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa-1(b)(5)) is amended by inserting before the semicolon at the end the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(B) IMPLEMENTATION GRANTS.—Section 303(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa-2(b)(6)) is amended by inserting before the semicolon at the end the following: ", which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(3) HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS.—

(A) PLANNING GRANTS.—Section 422(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12872(b)(5)) is amended by inserting before the semicolon at the end the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(B) IMPLEMENTATION GRANTS.—Section 423(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12873(b)(6)) is amended by inserting before the semicolon at the end the following: ", which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(4) HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES.—

(A) PLANNING GRANTS.—Section 442(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12892(b)(5)) is amended by inserting before the semicolon at the end the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(B) IMPLEMENTATION GRANTS.—Section 443(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12893(b)(5)) is amended by inserting before the semicolon at the end the following: ", which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(5) COMPREHENSIVE TRANSITION DEMONSTRATION.—Section 126(c)(3)(A)(ii) of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note) is amended by inserting before the period at the end the following: ", which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(6) MIXED INCOME NEW COMMUNITIES STRATEGY DEMONSTRATION.—Section 522(h)(8) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended by inserting before the period at the end the following: ", except that any such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(7) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—Section 220(d)(2)(G) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4110(d)(2)(G)) is amended by inserting after "counseling and training" the following: "(which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968)".

(8) HOME INVESTMENT PARTNERSHIPS ACT.—

(A) HOUSING EDUCATION SUPPORT.—Section 233(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773(b)(2)) is amended by inserting after the period at the end the following new sentence: "Any such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968.".

(B) SECOND MORTGAGE ASSISTANCE FOR FIRST-TIME HOMEBUYERS.—Section 258(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12808(b)) is amended by inserting after paragraph (5) the following new flush sentence:

"Counseling under this subsection may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968.".

(9) NATIONAL HOUSING ACT.—

(A) SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.—

(i) LOSS REDUCTION.—Section 203(r)(4) of the National Housing Act (12 U.S.C. 1709(r)(4)) is amended by inserting before the period at the end the following: "; except that such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(ii) PAYMENT OF INSURANCE.—The first sentence of section 204(a) of the National Housing Act (12 U.S.C. 1710(a)) is amended in clause (1)(B)(iii) by inserting after "homeownership counseling" the following: "(which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968)".

(B) TEMPORARY MORTGAGE ASSISTANCE PAYMENTS AND ASSIGNMENT OF MORTGAGES.—Section 230(d) of the National Housing Act (12 U.S.C. 1715u(d)) is amended by inserting after the period at the end the following new sentence: "Such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968.".

(C) SPECIAL MORTGAGE INSURANCE ASSISTANCE.—Section 237 of the National Housing Act (12 U.S.C. 1715z-2) is amended—

(i) in subsection (c)(3), by inserting before "; *Provided*," the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968"; and

(ii) in the second sentence of subsection (e), by inserting after "counseling" the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968".

(D) SINGLE FAMILY MORTGAGE INSURANCE ON INDIAN RESERVATIONS.—Section 248(g)(1) of the National Housing Act (12 U.S.C. 1715z-13(g)(1)) is amended by inserting after the period at the end the following new sentence: "Counseling required under this paragraph may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968.".

(E) HOME EQUITY CONVERSION MORTGAGES.—The first sentence of section 255(f) of the National Housing Act (12 U.S.C. 1715z-20(f)) is amended by inserting after "lender" the following: ", who are certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968,".

(10) APPLICABILITY.—The amendments made by this subsection shall apply only after the expiration of the 18-month period beginning on the date that the Secretary of Housing and Urban Development selects a private entity to provide the homeownership and rental counselor training and certification program under section 106(f) of the Housing and Urban Development Act of 1968 (as added by subsection (d) of this section).

(g) REGULATIONS.—The Secretary of Housing and Urban Development shall issue any regulations necessary to carry out the amendments made by subsections (d), (e), and (f) of this section not later than the expiration of the 6-month period beginning on the date of the enactment of this Act.

Page 162, line 4, strike ", as amended by section 141(a) of this Act, is further" and insert "is".

Page 162, line 7, strike "(u)" and insert "(y)".

Page 163, lines 19 and 20, strike "rent for the area established under subsection (f)" and insert "rental for the area established under subsection (c)(1)".

Page 165, strike lines 17 and 18 and insert the following:

"(A) Subsection (c)(3)(B) of this section.

"(B) Subsection (d)(1)(B)(i) of this section.

Page 167, line 18, insert " '. " after the period.

Page 167, strike lines 19 through 22.

Page 168, line 6, strike "8(u)" and insert "8(y)".

Page 169, line 5, strike "8(u)" and insert "8(y)".

Page 170, strike lines 1 through 7 and insert the following new paragraph:

(4) CONFORMING AMENDMENT.—The third sentence of section 3(a)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)) is amended by inserting "or (y) or paying rent under section 8(c)(3)(B)" after "section 8(o)".

Page 180, strike lines 6 through 11.

Page 180, line 12, strike "(iv)" and insert "(iii)".

Page 180, line 15, strike the period and insert "; and".

Page 180, after line 15, insert the following:

"(iv) the housing complies with the requirements under subparagraphs (D), (E), and (F) of paragraph (1).

Page 182, line 22, strike "10 percent" and insert "20 percent".

Page 240, line 19, before the first period insert the following new sentence: "If an operating loss loan was insured by the Secretary pursuant to this subsection before the date of the enactment of the Housing and Community Development Act of 1992 and was reduced solely to reflect the amount placed in escrow for initial operating deficits, the Secretary shall insure, to the extent of the availability of insurance authority provided in appropriation Acts, an increase in the existing loan or a separate loan, in an amount equal to the lesser of (A) the maximum amount permitted under this subsection and the applicable underwriting requirements established by the Secretary and in effect at the time the loan is to be made, or (B) the amount of the escrow for initial operating deficits.".

Page 255, after line 9, insert the following new subtitle:

Subtitle C—Improvement of Financing for Multifamily Housing

SEC. 541. SHORT TITLE.

This subtitle may be cited as the "Multifamily Housing Finance Improvement Act".

SEC. 542. REINSURANCE PILOT PROGRAM.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall carry out a pilot program through the Federal Housing Administration to provide reinsurance of risks related to mortgages on multifamily housing.

(b) PURPOSES.—The purposes of the pilot program are—

(1) to encourage the development of strong primary and secondary markets for prudent multifamily housing mortgage lending sufficient to meet the growing need for such lending in the United States;

(2) to refine methods through which the Federal Housing Administration may work with the financial institutions to enhance multifamily housing mortgage credit efficiently;

(3) to improve the supply of prudent multifamily housing mortgage lending, particularly in underserved markets; and

(4) to develop systems to achieve such purposes while significantly increasing the efficiency of the Federal Housing Administration and significantly reducing exposure of the Federal Government to risk of loss.

(c) AUTHORITY FOR REINSURANCE AGREEMENTS.—The Secretary may enter into reinsurance agreements (as such term is defined in section 544) with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, qualified financial institutions, qualified housing finance agencies, and the Federal Housing Finance Board. The agreements may provide for risk-sharing and other forms of credit enhancement with respect to mortgage lending on multifamily housing, including reinsurance with respect to pools of loans on multifamily housing properties, that the Secretary determines to be appropriate to carry out the purposes of this section. The agreements shall be in a form and have such terms and conditions as the Secretary determines to be appropriate to carry out the purposes of this section.

(d) DEVELOPMENT OF ALTERNATIVES.—The Secretary shall develop and assess a variety of reinsurance alternatives, including arrangements under which the Secretary assumes an appropriate share of the risk related to long-term mortgage loans on newly constructed or acquired multifamily rental housing, mortgage refinancings, bridge financing for construction, and other forms of multifamily housing mortgage lending that the Secretary deems appropriate to carry out the purposes of this section. Such alternatives shall be designed—

(1) to ensure that other parties bear a share of the risk, in percentage amount and in position of exposure, that is sufficient to create strong, market-oriented incentives for other participating parties to maintain sound underwriting and loan management practices;

(2) to develop credit mechanisms, including sound underwriting criteria, processing methods, and credit enhancements, through which resources of the Federal Housing Administration can assist in increasing multifamily housing lending as needed to meet the expected need in the United States;

(3) to provide a more adequate supply of mortgage credit for sound multifamily rental housing projects in underserved urban and rural markets;

(4) to encourage major financial institutions to expand their participation in mortgage lending for sound multifamily housing, through means such as mitigating uncertainties regarding actions of the Federal Government (including the possible failure to renew short-term subsidy contracts);

(5) to increase the efficiency, and lower the costs to the Federal Government, of processing and servicing multifamily housing mortgage loans insured by the Federal Housing Administration; and

(6) to improve the quality and expertise of Federal Housing Administration staff and other resources, as required for sound management of reinsurance and other market-oriented forms of credit enhancement.

(e) ELIGIBILITY STANDARDS.—

(1) IN GENERAL.—The Secretary shall establish and enforce standards for financial institutions and entities to be eligible to enter into reinsurance agreements under this section, as the Secretary determines to be appropriate.

(2) QUALIFIED HOUSING FINANCE AGENCIES.—In the case of qualified housing finance agencies, such standards shall be designed to accommodate the distinctive financial and institutional characteristics of such agency and shall require evidence of the capacity of such agency to fulfill any reimbursement obligations made pursuant to this section. Evidence of such capacity may include—

(A) a pledge of the full faith and credit of a qualified State or local agency to fulfill any obligations entered into by the qualified housing finance agency;

(B) reserves pledged or otherwise restricted by the qualified housing finance agency in an amount equal to a percentage of the loss assumed by the housing finance agency agreed to by the agency and the Secretary;

(C) funds pledged through a State or local guarantee fund; or

(D) any other evidence of such capacity mutually agreed to by the Secretary and the qualified housing finance agency.

(f) FEES.—The Secretary shall establish and collect premiums and fees for reinsurance under this section as the Secretary determines appropriate to (1) achieve the purpose of this section, and (2) compensate the Federal Housing Administration for the risks assumed and related administrative costs.

(g) NON-FEDERAL PARTICIPATION.—

(1) REQUIREMENT.—The Secretary shall carry out this section, to the maximum extent practicable, with the participation of well-established residential mortgage originators, financial institutions that invest in multifamily housing mortgages, multifamily housing sponsors, and such other private sector experts in multifamily housing finance as the Secretary determines to be appropriate.

(2) SPECIFIC PILOT PROGRAM.—The Secretary shall carry out a specific pilot program under this section in conjunction with qualified housing finance agencies, to test the effectiveness of Federal credit enhancement for multifamily housing loans through a system of risk-sharing agreements with such agencies. Such pilot program shall accommodate the distinctive financial and institutional characteristics of qualified housing finance agencies and may allow a qualified housing finance agency to use its own underwriting standards and loan terms and conditions for purposes of underwriting loans.

(3) COORDINATION WITH ACCOUNTING FIRM.—To the extent amounts are available for carrying out this section, the Secretary may enter into a contract with a nationally-recognized, independent accounting firm with demonstrated expertise in mortgage insurance to assist in designing and assessing alternatives developed under the pilot program under this section. Such contract shall require the accounting firm to identify and assess problems in the structure, design, and management of previous reinsurance programs of the Federal Housing Administration and to recommend actions and policies to ensure that such problems are corrected in designing reinsurance alternatives under this section.

(h) TIMING.—The Secretary shall take any administrative actions necessary to initiate the pilot program under this section not later than the expiration of the 8-month period beginning on the date of the enactment of this Act.

(i) INDEPENDENT STUDIES AND REPORTS.—

(1) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—The Federal National Mortgage Association, in consultation with representatives of its seller-servicers and State housing finance agencies, shall carry out an independent assessment of alternative methods for achieving the purposes of this section and shall submit a report containing any findings and recommendations, including any recommendations for legislative or administrative action, simultaneously to the Secretary and the Congress not later than 12 months after the date of the enactment of this Act.

(2) FEDERAL HOME LOAN MORTGAGE CORPORATION.—The Federal Home Loan Mort-

gage Corporation, in consultation with representatives of its seller-servicers and State housing finance agencies, shall carry out an independent assessment of alternative methods for achieving the purposes of this section and shall submit a report containing any findings and recommendations, including any recommendations for legislative or administrative action, simultaneously to the Secretary and the Congress not later than 12 months after the date of the enactment of this Act.

(3) SECRETARY.—The Secretary shall submit to the Congress, and publish, reports under this paragraph assessing the activities carried out under the pilot program. The Secretary shall submit and publish a preliminary report under this paragraph not later than 18 months after the date of the enactment of this Act, and a final report not later than 26 months after the date on which the pilot program is initiated, which shall include any recommendations by the Secretary for legislative changes to achieve the purposes of this section.

(4) COMPTROLLER GENERAL.—The Comptroller General of the United States shall carry out an evaluation of the pilot program under this section and shall submit to the Congress, not later than 30 months after the date on which the pilot program is initiated, a report regarding the evaluation, together with any recommendations for legislative changes to achieve the purposes of this section. The Comptroller General shall also submit to the Congress a report containing a preliminary assessment of the pilot program not later than 18 months after the date of enactment of this Act.

(5) FEDERAL HOUSING FINANCE BOARD.—The Federal Housing Finance Board shall monitor and assess the activities carried out under the pilot program under this section. The Federal Housing Finance Board shall submit a preliminary report containing any findings regarding such activities not later than 18 months after the date of the enactment of this Act, and a final report containing such findings not later than 26 months after the date on which the pilot program is initiated, which shall include any recommendations by the Board for legislative changes to achieve the purposes of this section.

(j) FUNDING.—

(1) INSURANCE AUTHORITY.—Using any authority provided in appropriation Acts to insure loans under the National Housing Act, the Secretary may enter into commitments under this section for reinsurance of mortgages on not more than 25,000 units for fiscal year 1993, not less than 40 percent of which shall be reserved to carry out the pilot program under subsection (g)(2).

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for costs of administration of activities under this section such sums as may be necessary for fiscal year 1993. Any amounts appropriated under this section shall remain available until expended.

SEC. 543. MULTIFAMILY HOUSING FINANCIAL DATA PROJECT.

(a) IN GENERAL.—The Secretary of Housing and Urban Development may enter into a contract with an appropriate organization (to the extent amounts are made available in appropriation Acts for such purpose) to carry out the multifamily housing financial data project under this section.

(b) FUNCTIONS.—The purpose of the multifamily housing financial data project under this section shall be to improve the availability and efficiency of financing for multifamily rental housing. The project shall—

(1) analyze available data regarding the performance of multifamily housing mortgage loans in all regions of the country;

(2) prepare a comprehensive national database on the operation and financing of multifamily housing that will provide reliable information appropriate to meet the projected needs of lenders, investors, sponsors, property managers, and public officials;

(3) identify important factors that affect the long-term financial and operational soundness of multifamily housing properties, including factors relating to project credit risk, project underwriting, interest rate risk, real estate market conditions, public subsidies, tax policies, borrower characteristics, program management standards, and government policies;

(4) develop common definitions, standards, and procedures that will improve multifamily housing underwriting and accelerate the development of a strong, competitive, and efficient secondary market for multifamily housing loans; and

(5) make available appropriate information to various organizations in forms that will assist in improving multifamily housing loan underwriting and servicing.

(c) CONTRACT PROVISIONS.—

(1) DUTIES.—The contract under this section shall provide that the contracting organization shall make diligent and reasonable efforts to carry out activities under this section in cooperation with representatives of diverse participants in the multifamily rental housing delivery system, including lenders, equity investors, sponsors, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, qualified housing finance agencies, and government agencies.

(2) COSTS.—

(A) FEDERAL AMOUNTS.—The contract shall provide the contracting organization with amounts made available under this section for not more than 50 percent of any costs of the contracting organization for activities to carry out this section.

(B) NON-FEDERAL AMOUNTS.—The contracting organization shall demonstrate to the satisfaction of the Secretary that amounts for any remaining costs for such activities will be provided from non-Federal sources.

(3) TIMING.—The Secretary shall enter into the contract not less than 3 months after the contracting organization demonstrates to the satisfaction of the Secretary that firm commitments for non-Federal amounts required under paragraph (2)(B) are available.

(d) QUALIFICATIONS OF CONTRACTING ORGANIZATION.—To be eligible to enter into a contract under this section, an organization shall—

(1) be a nonprofit entity organized in accordance with appropriate Federal, State, or local laws;

(2) have staffing and other resources that, in the determination of the Secretary, are adequate to carry out this section;

(3) provide, in the establishment of policies related to activities under this section, for active participation by representatives of multifamily housing mortgage lenders, sponsors, equity investors, nationally recognized rating agencies, the financial services industry, qualified housing finance agencies, and other major participants in the multifamily rental housing delivery system, including individuals and organizations having experience with subsidized multifamily housing; and

(4) agree to maintain financial accounting and other recordkeeping practices required by the Secretary to carry out this section and comply with any other requirements under law.

(e) MULTIFAMILY HOUSING FINANCIAL DATA.—

(1) PROVISION OF INFORMATION BY FEDERAL AGENCIES.—The Secretary, the Director of the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation shall each make available to the contracting organization representative samples of any multifamily housing mortgage loan data of such agency or office for the purpose of enabling the contracting organization to carry out sound statistical analyses of multifamily housing mortgage activity in accordance with this section.

(2) AUTHORITY TO OBTAIN INFORMATION FROM SOURCES.—To carry out paragraph (1), the Secretary, the Director of the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation may obtain loan data from mortgage originators and government-sponsored enterprises regulated by such agencies and offices, and from housing finance agencies and life insurance companies, except that—

(A) each request for data shall be for a representative sample of data from a representative sample of loan originators;

(B) any information obtained shall be used only for the purposes under this section;

(C) the agencies and offices that obtain such loan data made available under this section and the contracting organization shall maintain the confidentiality of the data in the manner established for the material by the submitting entity, and such data shall not be subject to release under section 552 of title 5, United States Code;

(D) only aggregate data shall be publicly released by the contracting organization, unless the contracting organization receives the explicit permission of the mortgage originator or government-sponsored enterprise from which the information is obtained; and

(E) any officer or employee of the Department of Housing and Urban Development, the Office of Thrift Supervision, the Board of Governors of the Federal Reserve, the Office of the Comptroller of the Currency, or the Federal Deposit Insurance Corporation shall be subject to the penalties under section 1906 of title 18, United States Code, if—

(i) by virtue of employment or official position, the officer or employee has possession of or access to any book, record, or information made available under this subsection and established as confidential under subparagraph (c); and

(ii) the officer or employee discloses the material in any manner other than to an officer or employee of the same Federal agency employing the officer or employee, or other than pursuant to the exceptions under such section 1906.

(f) REPORT.—Not later than 15 months after the date of the enactment of this Act, the contracting organization shall submit to the Secretary and the Congress a report describing the activities and findings of the organization in carrying out this section and containing recommendations of the organization for improving the availability and efficiency of financing for multifamily rental housing.

(g) GAO AUDIT AND EVALUATION.—

(1) AUDIT.—The financial transactions of the contracting organization relating to activities under this section may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files and other papers, things, or property belonging to or in use by the contracting organization pertaining to such financial transactions and necessary to facilitate the audit.

(2) EVALUATION.—The Comptroller General of the United States shall conduct an independent analysis of the findings and recommendations submitted by the contracting organization under this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,000,000 for fiscal year 1993. Any amounts appropriated under this subsection, including any amounts not obligated because of any lack of availability of non-Federal amounts required under subsection (c)(2)(b), shall remain available until expended.

SEC. 544. DEFINITIONS.

For purposes of this subtitle:

(1) The term "multifamily housing" means a property consisting of more than 4 dwelling units.

(2) The term "qualified housing finance agency" means any State or local housing finance agency that—

(A) carries the designation of "top tier" or its equivalent, as evaluated by Standard and Poors or any other nationally recognized rating agency;

(B) receives a rating of "A" for its general obligation bonds from a nationally recognized rating agency; or

(C) otherwise demonstrates its capacity as a sound and experienced agency based on its experience in financing multifamily housing, fund balances, administrative capabilities, investment policy, internal controls and financial management, portfolio quality, State or local support, and any other factors.

(3) The term "reinsurance agreement" means a contractual obligation under which the Secretary, in exchange for appropriate compensation, agrees to assume a specified portion of the risk of loss that a lender or other party has previously assumed with respect to a mortgage on a multifamily housing property.

(4) The term "Secretary" means the Secretary of Housing and Urban Development.

Page 256, after line 17, insert the following new subsection:

(c) REPEAL OF REQUIREMENT FOR STATE AND LOCAL CERTIFICATION OF SERVICES.—Section 202(e) of the Housing Act of 1959 (12 U.S.C. 1701q(e)), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) by striking paragraph (5); and

(2) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

Page 256, line 18, strike "(c)" and insert "(d)".

Page 258, line 15, strike "(d)" and insert "(e)".

Page 259, line 14, strike "(e)" and insert "(f)".

Page 263, line 8, strike "section 8" and insert "sections 8(b) and 8(o)".

Page 292, line 1, strike "8(q)" and insert "8(i)".

Page 292, line 6, strike "5(j)(2)(F)" and insert "5(j)(2)(G)".

Page 295, strike lines 9 through 14 and insert the following:

Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended by inserting after subsection (h) the following new subsection:

"(i) ASSISTANCE FOR HANDICAPPED AND DISABLED FAMILIES.—For each fiscal year, each public.

Page 296, line 6, strike "subsection (h)(2)" and insert "subsections (d)(1)(A), (d)(2)(D), and (o)(3)(B)".

Page 296, line 16, strike "(F)" and insert "(G)".

Page 303, line 17, strike "8(h)" and insert "8(d)(1)".

Page 308, lines 14 through 16, strike "subclauses (I) through (III) of section 8(h)(2)(A)(ii) of the United States Housing Act of 1937" and insert "section 8(d)(1)(A)(i) of the United States Housing Act of 1937 and the first sentence of 8(o)(3)(B) of such Act".

Page 314, strike line 7 and all that follows through line 19 on page 315, and insert the following:

Section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)) is amended by adding at the end the following new subparagraph:

"(F)(i) In determining the amount of assistance provided under an assistance contract for project-based assistance under this paragraph or a contract for assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983), the Secretary may consider and annually adjust, with respect to such project, for the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, or disabled families.

"(ii) The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $5,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for assistance under this section which shall be made available through assistance contracts only for the purpose of providing service coordinators under clause (i) for projects receiving project-based assistance under this paragraph and to provide additional amounts under contracts for assistance for projects constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983) only for such purpose.".

Page 315, strike line 23 and all that follows through line 9 on page 317, and insert the following:

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

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3)(A) Fees under this subsection may be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of supportive services for elderly, handicapped, and disabled families on whose behalf tenant-based assistance is provided under this section. Such service coordinators shall have the same responsibilities with respect to such families as service coordinators of covered federally assisted housing projects have under section 661 of such Act with respect to residents of such projects.

"(B) To the extent amounts are provided in appropriation Acts under subparagraph (C), the Secretary shall increase fees under this subsection to provide for the costs of such service coordinators for public housing agencies.

"(C) The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $15,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for increased fees under this subsection, which shall be used only for the purpose of providing service coordinators for public housing agencies described in subparagraph (A).".

Page 320, after line 16, insert the following new paragraph:

(2) INAPPLICABILITY OF HUD REFORM ACT PROVISIONS.—Notwithstanding section 102 of the Department of Housing and Urban Development Reform Act of 1989, the provisions of paragraphs (1), (2), and (3) of subsection (a) of such Act shall not apply to amendments to contracts under section 8 of the United States Housing Act of 1937 made to carry out the purposes of paragraph (1) of this subsection.

Page 320, line 17, strike "(2)" and insert "(3)".

Page 323, strike line 10 and all that follows through line 3 on page 324, and insert the following new subsection:

(b) PROJECT-BASED SECTION 8 HOUSING.—Section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)), as amended by section 664 of this Act, is further amended by adding at the end the following new subparagraphs:

"(G) An assistance contract for project-based assistance under this paragraph shall provide that the owner shall ensure and maintain compliance with the subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.

"(H) Notwithstanding subsection (d)(1)(A)(i), an owner of a housing for which project-based assistance is provided under this subsection may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992.".

Page 348, after line 20, insert the following new section:

SEC. 711. RECIPROCITY IN APPROVAL OF HOUSING SUBDIVISIONS AMONG FEDERAL AGENCIES.

(a) EXTENSION OF AUTHORITY.—Section 535(b) of the Housing Act of 1949 (42 U.S.C. 1490o(b)) is amended by striking the last sentence and inserting the following new sentence: "This subsection shall not apply after June 15, 1993.".

(b) RETROACTIVITY.—Any administrative approval of any housing subdivision made after the expiration of the 18-month period beginning on the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989 and before the date of the enactment of this Act is hereby approved and shall be considered to have been lawfully made, but only if otherwise made in accordance with the provisions of section 535(b) of the Housing Act of 1949.

Page 350, after line 13, insert the following:

"(C) $6,000,000 shall be available for grants under subsection (b)(5);

Page 350, line 14, strike "(C)" and insert "(D)".

Page 350, line 16, strike "(D)" and insert "(E)".

Page 350, line 18, strike "(5),".

Page 350, line 19, strike "(E)" and insert "(F)".

Page 355, after line 15, insert the following new section:

SEC. 806. EVALUATION, SELECTION, AND REVIEW OF ECONOMIC DEVELOPMENT PROJECTS.

(a) REVIEW.—Section 104 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304) is amended—

(1) in subsection (e)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by inserting after paragraph (2) the following new paragraph:

"(3) whether the activities carried out pursuant to section 105(a)(14), (15), and (17) by any entities receiving (or to receive) assistance from grant recipients for such activities (A) are furthering the objectives and goals of this title under section 101, (B) comply with the requirements of this title and program guidelines established pursuant to this title (including the guidelines established under section 105(d)), and (C) further the objectives identified in the grantee's statement under subsection (a); if the Secretary determines that any such activity does not comply with the requirements under clauses (A), (B), and (C) of this paragraph, the Secretary shall provide that no additional grant amounts under this title may be disbursed by any grant recipient for such activity."; and

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

"(n) TRAINING FOR EVALUATING ECONOMIC DEVELOPMENT PROJECTS.—The Secretary shall carry out a program to educate and train officers and employees of area and other field offices of the Department of Housing and Urban Development to conduct evaluations required pursuant to subsection (e)(3). There is authorized to be appropriated $1,000,000 for fiscal year 1993 to carry out such program".

(b) GUIDELINES.—Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended by adding at the end the following new subsection:

"(d) GUIDELINES FOR EVALUATING AND SELECTING ECONOMIC DEVELOPMENT PROJECTS.—

"(1) ESTABLISHMENT.—The Secretary shall establish, by regulation, guidelines to assist grant recipients under this title to evaluate and select activities described in section 105(a)(14), (15), and (17) for assistance with grant amounts.

"(2) PROJECT COSTS AND FINANCIAL REQUIREMENTS.—The guidelines established under this subsection shall ensure that—

"(A) the project costs of such activities are reasonable;

"(B) adequate financial support has been committed for such activities from non-Federal sources;

"(C) any grant amounts to be provided for such activities do not substantially reduce the amount of non-Federal financial support for the activities;

"(D) such activities are financially feasible and provide not more than a reasonable return on investment to the owner; and

"(E) to the extent practicable, grant amounts used for the costs of such activities are disbursed on a pro rata basis with amounts from other sources.

"(3) PUBLIC BENEFIT.—The guidelines established under this subsection shall ensure that the public benefit provided by the activity is proportional to the amount of assistance provided with grant amounts under this title.".

(c) GAO STUDY.—The Comptroller General of the United States shall conduct a study of the use of grant amounts under the community development block grant program (under title I of the Housing and Community Development Act of 1974) for activities described in paragraphs (14), (15), and (17) of section 105(a) of such Act. The study shall evaluate whether the activities for which such amounts are being used under such paragraphs further the goals and objectives of such program, as established in section 101 of such Act. The Comptroller General shall submit a report to the Congress regarding the findings of the study not later than the expiration of the 18-month period beginning on the date of the enactment of this Act. The report shall include recommendations of (1) any administrative or legislative actions that may be taken to ensure that such grant amounts are properly and efficiently used for economic development activities, and (2) criteria by which to evaluate the effectiveness of activities assisted under paragraphs (14), (15), and (17) of such section 105(a).

Page 355, line 16, strike "**SEC. 806.**" and insert "**SEC. 807.**".

Page 358, line 16, strike "**SEC. 807.**" and insert "**SEC. 808.**".

Page 361, line 11, strike "**SEC. 808.**" and insert "**SEC. 809.**".

Page 361, line 18, strike "**SEC. 809.**" and insert "**SEC. 810.**".

Page 411, after line 19, insert the following new sections:

SEC. 917. BANK ENTERPRISE ACT OF 1991 AND RELATED PROVISIONS.

(a) ASSESSMENT RATE FOR LIFELINE ACCOUNT DEPOSITS.—Section 7(b)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(10)) (as added by section 232(b)(2) of the Bank Enterprise Act of 1991) is amended by striking "at the assessment rate of ½ the maximum rate." and inserting "at an assessment rate to be determined by the Corporation by regulation. Such assessment rate may not be less than ½ the maximum assessment rate."

(b) ASSESSMENT PROCEDURE.—Section 7(b)(2)(A)(iii)(I) of the Federal Deposit Insurance Act (12 U.S.C. 1917(b)(2)(A)(iii)(I)) (as added by section 232(b)(3)(C) of the Bank Enterprise Act of 1991) is amended to read as follows:

"(I) the assessment rate determined by the Corporation pursuant to paragraph (10) with respect to such semiannual period; and".

(c) QUALIFYING ACTIVITIES FOR ASSESSMENT CREDITS.—Section 233(a)(2) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(a)(2)) is amended to read as follows:

"(2) QUALIFYING ACTIVITIES.—An insured depository institution shall be eligible for any community enterprise assessment credit for any semiannual period for—

"(A) the amount, during such period, of new originations of qualified loans and other financial assistance provided for low- and moderate-income persons in distressed communities, or enterprises integrally involved with such neighborhoods, which the Board determines are qualified to be taken into account for purposes of this subsection; and

"(B) the amount, during such period, of deposits accepted from persons domiciled in the distressed community, at any office of the institution (including any branch) located in any qualified distressed community, and new originations of any loans and other financial assistance made within that community, except that in no case shall the credit for deposits at any institution or branch exceed the credit for loans and other financial assistance by the bank or branch in the distressed community.".

(d) AMOUNT OF ASSESSMENT CREDIT.—Section 233(a)(3) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(a)(3)) is amended to read as follows:

"(3) AMOUNT OF ASSESSMENT CREDIT.—The amount of any community enterprise assessment credit available under section 7(d)(4) of the Federal Deposit Insurance Act for any insured depository institution, or a qualified portion thereof, shall be the amount which is equal to 5 percent, in the case of an institution which does not meet the community development organization requirements under section 234, and 15 percent, in the case of an institution, or a qualified portion thereof, which meets such requirements (or any percentage designated under paragraph (5)) of—

"(A) for the first full semiannual period in which community enterprise assessment credits are available, the sum of—

"(i) the amounts of assets described in paragraph (2)(A); and

"(ii) the amounts of deposits, loans, and other financial assistance described in paragraph (2)(B); and

"(B) for any subsequent semiannual period, the sum of—

"(i) any increase during such period in the amount of assets described in paragraph (2)(A) that has been deemed eligible for credit by the Board; and

"(ii) any increase during such period in the amounts of deposits, loans, and other financial assistance described in paragraph (2)(B) that has been deemed eligible for credit by the Board.".

(e) ELIGIBILITY REQUIREMENTS FOR QUALIFIED DISTRESSED COMMUNITIES.—Section 233(b)(4) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(b)(4)) is amended to read as follows:

"(4) ELIGIBILITY REQUIREMENTS.—For purposes of this subsection, an area meets the requirements of this paragraph if the following criteria are met:

"(A) At least 30 percent of the residents residing in the area have incomes which are less than the national poverty level.

"(B) The unemployment rate for the area is 1½ times greater than the national average (as determined by the Bureau of Labor Statistics' most recent figures).

"(C) Such additional eligibility requirements as the Board may, in its discretion, deem necessary to carry out the provisions of this subtitle.".

SEC. 918. PROHIBITION ON USE OF "RULE OF 78's" IN CONNECTION WITH MORTGAGE REFINANCINGS AND OTHER CONSUMER LOANS.

(a) PROMPT REFUND OF UNEARNED INTEREST REQUIRED.—

(1) IN GENERAL.—If a consumer prepays in full the financed amount under any consumer credit transaction, the creditor shall promptly refund any unearned portion of the interest charge to the consumer.

(2) EXCEPTION FOR REFUND OF DE MINIMUS AMOUNT.—No refund shall be required under paragraph (1) with respect to the prepayment of any consumer credit transaction if the total amount of the refund would be less than $1.

(3) APPLICABILITY TO REFINANCED TRANSACTIONS AND ACCELERATION BY THE CREDITOR.—This subsection shall apply with respect to any prepayment of a consumer credit transaction described in paragraph (1) without regard to the manner or the reason for the prepayment, including—

(A) any prepayment made in connection with the refinancing, consolidation, or restructuring of the transaction; and

(B) any prepayment made as a result of the acceleration of the obligation to repay the amount due with respect to the transaction.

(b) USE OF "RULE OF 78'S" PROHIBITED.—For the purpose of calculating any refund of interest required under subsection (a) for any precomputed consumer credit transaction of a term exceeding 61 months which is consummated after September 30, 1993, the creditor shall compute the refund based on a method which is at least as favorable to the consumer as the actuarial method.

(c) STATEMENT OF PREPAYMENT AMOUNT.—

(1) IN GENERAL.—Before the end of the 5-day period beginning on the date an oral or written request is received by a creditor from a consumer for the disclosure of the amount due on any precomputed consumer credit account, the creditor or assignee shall provide the consumer with a statement of—

(A) the amount necessary to prepay the account in full; and

(B) if the amount disclosed pursuant to subparagraph (A) includes an amount which is required to be refunded under this section with respect to such prepayment, the amount of such refund.

(2) WRITTEN STATEMENT REQUIRED IF REQUEST IS IN WRITING.—If the customer's request is in writing, the statement under paragraph (1) shall be in writing.

(3) 1 FREE ANNUAL STATEMENT.—A consumer shall be entitled to obtain 1 statement under paragraph (1) each year without charge.

(4) ADDITIONAL STATEMENTS SUBJECT TO REASONABLE FEES.—Any creditor may impose a reasonable fee to cover the cost of providing any statement under paragraph (1) to any consumer in addition to the 1 free annual statement required under paragraph (3) if the amount of the charge for such additional statement is disclosed to the consumer before furnishing such statement.

(d) DEFINITIONS.—For the purpose of this section—

(1) ACTUARIAL METHOD.—The term "actuarial method" means the method of allocating payments made on a debt between the amount financed and the finance charge pursuant to which a payment is applied first to the accumulated finance charge and any remainder is subtracted from, or any deficiency is added to, the unpaid balance of the amount financed.

(2) CONSUMER, CREDIT.—The terms "consumer" and "creditor" have the meanings given to such terms in section 103 of the Consumer Credit Protection Act.

(3) CREDITOR.—The term "creditor"—

(A) has the meaning given to such term in section 103 of the Consumer Credit Protection Act; and

(B) includes any assignee of any creditor with respect to credit extended in connection with any consumer credit transaction and any subsequent assignee with respect to such credit.

SEC. 919. REGULATIONS CLARIFYING THE TERM "HOUSING FOR OLDER PERSONS".

The Secretary of Housing and Urban Development shall, not later than 180 days after the date of the enactment of this Act, make rules defining what are "significant facilities and services especially designed to meet the physical or social needs of older persons" required under section 807(b)(2) of the Fair Housing Act to meet the definition of the term "housing for older persons" in such section.

SEC. 920. USE OF DOMESTIC PRODUCTS.

(a) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—

(1) IN GENERAL.—A person shall not intentionally affix a label bearing the inscription of "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) INELIGIBILITY.—A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under this Act, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations, or any successor procedures thereto.

(b) COMPLIANCE WITH BUY AMERICAN ACT.—

(1) IN GENERAL.—Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the "Buy American Act").

(2) APPLICABILITY.—This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this Act to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) REPORT.—The Secretary of Housing and Urban Development and the Secretary of Agriculture, before January 1, 1994, shall each submit a report to the Congress on procurements covered under this subsection of products that are not domestic products.

(c) DEFINITIONS.—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

Page 457, line 7, strike "8(e)" and insert "8(c)(1)".

Page 458, line 9, strike "8(e)" and insert "8(c)(1)".

Page 458, line 20, strike "8(l)" and insert "8(n)".

Page 461, after line 20, insert the following new subsection:

(c) STATE AND LOCAL TAXES.—

(1) REQUIREMENT TO PROVIDE INFORMATION UPON REQUEST.—In carrying out the program referred to in subsection (a), the Secretary of Housing and Urban Development shall provide the information described in paragraph (2) to any lessee or applicant under the program who requests such information.

(2) CONTENT.—The information referred in paragraph (1) shall identify and describe any exemptions or reductions relating to payment of property taxes under State and local laws (for the jurisdictions for which the lessee or applicant requests such information) that may be applicable to lessees or applicants, or to properties leased, under such program.

(3) EXEMPTION FROM ESCROW REQUIREMENT.—To the extent any lessee of a property under the program referred to in subsection (a) is provided an exemption from any requirement to pay State or local taxes, or a reduction in the amount of any such taxes, the Secretary may not require the lessee to pay or deposit in any escrow account amounts for the payment of such taxes.

At the end of the bill, insert the following new title:

TITLE XII—REMOVAL OF REGULATORY BARRIERS TO AFFORDABLE HOUSING

SEC. 1201. SHORT TITLE.

This title may be cited as the "Removal of Regulatory Barriers to Affordable Housing Act of 1992".

SEC. 1202. PURPOSES.

The purposes of this Act are—

(1) to encourage State and local governments to further identify and remove regulatory barriers to affordable housing (including barriers that are excessive, unnecessary, duplicative, or exclusionary) that significantly increase housing costs and limit the supply of affordable housing; and

(2) to strengthen the connection between Federal housing assistance and State and local efforts to identify and eliminate regulatory barriers.

SEC. 1203. DEFINITION OF REGULATORY BARRIERS TO AFFORDABLE HOUSING.

For purposes of this Act, the terms "regulatory barriers to affordable housing" and "regulatory barriers" mean any public policies (including policies embodied in statutes, ordinances, regulations, or administrative procedures or processes) required to be identified by a jurisdiction in connection with its comprehensive housing affordability strategy under section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act. Such terms do not include policies relating to rents imposed on a structure by a jurisdiction or policies that have served to create or preserve, or can be shown to create or preserve, housing for low- and very low-income families, including displacement protections, demolition controls, replacement housing requirements, relocation benefits, housing trust funds, dedicated funding sources, waiver of local property taxes and builder fees, inclusionary zoning, rental zoning overlays, long-term use restrictions, and rights of first refusal.

SEC. 1204. CDBG GRANTS FOR REGULATORY BARRIER REMOVAL STRATEGIES AND IMPLEMENTATION.

(a) SET-ASIDE OF CDBG AMOUNTS.—Section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

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

"(5) not less than $15,000,000 in each fiscal year for grants under section 107(g) to States and units of general local government for developing and implementing strategies for the removal of regulatory barriers to affordable housing.".

(b) GRANT REQUIREMENTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended—

(1) in subsection (e)(1), by inserting "subsection (b) or (c)" before "this section"; and

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

"(g) GRANTS FOR REGULATORY BARRIER REMOVAL DEVELOPMENT AND IMPLEMENTATION.—

"(1) STATE GRANTS.—From amounts set aside under section 103(5), the Secretary shall make grants to States for the costs of developing and implementing strategies to remove regulatory barriers to affordable housing, including the costs of—

"(A) identifying, assessing, and monitoring State and local regulatory barriers;

"(B) identifying State and local policies (including laws and regulations) that permit or encourage regulatory barriers;

"(C) developing legislation to provide a State program to reduce State and local regulatory barriers and developing a strategy for adoption of such legislation;

"(D) developing model State standards and ordinances to reduce regulatory barriers and assisting in the adoption and use of the standards and ordinances;

"(E) carrying out the simplification and consolidation of State administrative procedures and processes constituting regulatory barriers to affordable housing, including the issuance of permits; and

"(F) providing technical assistance and information to units of general local government for implementation of legislative and administrative reform programs to remove regulatory barriers to affordable housing.

"(2) LOCAL GRANTS.—From amounts set aside under section 103(5), the Secretary shall make grants to units of general local government for the costs of developing and implementing strategies to remove regulatory barriers to affordable housing, including the costs of—

"(A) identifying, assessing, and monitoring local regulatory barriers;

"(B) identifying local policies (including laws and regulations) that permit or encourage regulatory barriers;

"(C) developing legislation to provide a local program to reduce local regulatory barriers and developing a strategy for adoption of such legislation;

"(D) developing model local standards and ordinances to reduce regulatory barriers and assisting in the adoption and use of the standards and ordinances; and

"(E) carrying out the simplification and consolidation of local administrative procedures and processes constituting regulatory barriers to affordable housing, including the issuance of permits.

"(3) DEFINITION.—For purposes of this subsection, the terms 'regulatory barriers to affordable housing' and 'regulatory barriers' have the meaning given such terms in section 1203 of the Removal of Regulatory Barriers to Affordable Housing Act of 1992.

"(4) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection, which shall describe how grant amounts will assist the State or unit of general local government in developing and implementing strategies to remove regulatory barriers to affordable housing. The Secretary shall establish criteria for approval of applications under this paragraph and for the selection of units of general local government to receive grants under paragraph (5)(B).

"(5) ALLOCATION OF AMOUNTS.—

"(A) STATE GRANTS.—

"(i) IN GENERAL.—Of the total amount appropriated for each fiscal year under section 103(5) to carry out this subsection, the Secretary shall use two-thirds of such amount to provide grants under paragraph (1) to each State submitting an application that is approved by the Secretary. Such amounts shall be allocated among the States based upon the measure of need (for the whole State) of each State, as determined under section 217(b)(1)(A) of the Cranston-Gonzalez National Affordable Housing Act, except that the minimum amount of each for each fiscal year grant shall be $100,000 (to the extent sufficient amounts are made available).

"(ii) PRO RATA DISTRIBUTION.—If insufficient amounts are made available for grants in the amount under clause (i) to each State submitting an approved application, each such State shall receive a pro rata portion of such amount based on the ratio of the population of such State to the population of all States.

"(B) LOCAL GRANTS.—Of the total amount appropriated for each fiscal year under section 103(5) to carry out this subsection, the Secretary shall use one-third of such amount to provide grants on a competitive basis to units of general local government based on the proposed uses of such amounts, as provided in the application. Each grant made with such amounts shall be in an amount not less than $10,000.

"(6) COORDINATION WITH CLEARINGHOUSE.—Each State and unit of general local government receiving a grant under this subsection, shall consult, coordinate, and exchange information with the clearinghouse established under section 1205 of the Removal of Regulatory Barriers to Affordable Housing Act of 1992.

"(7) REPORTS TO SECRETARY.—Each State and unit of general local government receiving a grant under this subsection shall submit a report to the Secretary, not less than 12 months after receiving the grant, describing any activities carried out with the grant amounts.".

(c) CONFORMING AMENDMENTS.—The first sentence of section 106(d)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)(1)) is amended by striking "for grants" and all that follows through "(2))" and inserting "that remains after allocations pursuant to paragraphs (1) and (2) of subsection (a)".

SEC. 1205. REGULATORY BARRIERS CLEARINGHOUSE.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development shall establish a clearinghouse to receive, collect, process, and assemble information regarding—

(1) State and local laws, regulations, and policies affecting the development, maintenance, improvement, availability, or cost of affordable housing, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on investment in residential property; and

(2) State and local activities, strategies, and plans to remove or ameliorate the negative effects, if any, of such laws, regulations, and policies.

(b) FUNCTIONS.—The clearinghouse established under subsection (a) shall respond to inquiries from State and local governments, other organizations, and individuals requesting information regarding State and local laws, regulations, policies, activities, strategies, and plans described in subsection (a) and provide assistance in identifying, examining, and understanding such laws, regulations, policies, activities, strategies, and plans.

SEC. 1206. SUBSTANTIALLY EQUIVALENT FEDERAL AND STATE BARRIER ASSESSMENT REMOVAL REQUIREMENTS.

Section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(4)) is amended by inserting before the semicolon at the end the following: "; and except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this paragraph, as determined by the Secretary, the unit of general local government may submit its assessment submitted to the State to the Secretary and shall be considered to have complied with this paragraph".

SEC. 1207. REPORTS BY SECRETARY.

The Secretary of Housing and Urban Development shall submit a report to the Congress, not later than the expiration of the 2-year period beginning on the date of the enactment of this Act, which shall—

(1) describe any successful State and local strategies for the removal of barriers to affordable housing; and

(2) describe any strategies developed or implemented by the Department of Housing and Urban Development for reducing barriers to affordable housing imposed by the Federal Government.

SEC. 1208. SUNSET.

(a) CDBG GRANTS.—The Secretary of Housing and Urban Development may not make any grants under section 107(g) of the Housing and Community Development Act of 1974 (as added by section 1204(b)(2) of this Act) after the expiration of the 3-year period beginning on the date of the enactment of this Act.

(b) CLEARINGHOUSE.—The clearinghouse established under section 1205 of this Act shall terminate upon the expiration of the 3-year period beginning on the date of the enactment of this Act.

(c) SUBSTANTIALLY EQUIVALENT BARRIER ASSESSMENT REQUIREMENTS.—Effective upon the expiration of the 3-year period beginning on the date of the enactment of this Act, section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(4)) is amended by striking the material inserted by the amendment made section 1206 of this Act.

AMENDMENTS TO AUTHORIZATION AMOUNTS

Page 8, line 15, strike "$15,158,946,956" and insert "$14,552,589,078".

Page 9, line 4, strike "$844,792,000" and insert "$811,000,320".

Page 9, line 5, strike "$247,312,000" and insert "$237,419,520 ".

Page 9, line 8, strike "$2,039,232,000" and insert "$1,957,662,720".

Page 9, line 18, strike "$2,332,200,000" and insert "$2,238,912,000".

Page 9, line 20, strike "$455,624,000" and insert "$437,399,000".

Page 9, line 22, strike "$173,576,000" and insert "$166,632,960".

Page 9, line 24, strike "$7,261,632,000" and insert "$6,971,166,720".

Page 10, line 4, strike "$1,918,800,550" and insert "$1,842,048,528".

Page 10, line 6, strike "$21,755,000" and insert "$20,884,800".

Page 10, line 8, strike "$85,800,000" and insert "$82,368,000".

Page 10, line 8, strike "$32,175,000" and insert "$30,888,000".

Page 10, line 15, strike "$25,535,406" and insert "$24,513,990".

Page 28, line 11, strike "$2,169,440,000" and insert "$2,082,662,400".

Page 33, line 25, strike "$27,144,000" and insert "$26,058,240".

Page 34, line 8, strike "$21,736,000" and insert "$20,866,560".

Page 86, line 21, strike "$36,400,000" and insert "$34,944,000".

Page 98, line 19, strike "$173,576,000" and insert "$166,632,960".

Page 100, line 11, strike "$54,288,000" and insert "$52,116,480".

Page 101, line 9, strike "$3,848,000" and insert "$3,694,080".

Page 101, line 17, strike "$7,280,000" and insert "$6,988,800".

Page 105, line 5, strike "$379,600" and insert "$364,416".

Page 135, line 25, strike "$100,000,000" and insert "$96,000,000".

Page 136, line 6, strike "$100,000,000" and insert "$96,000,000".

Page 136, line 13, strike "$200,000,000" and insert "$192,000,000".

Page 138, line 19, strike "$542,360,000" and insert "$520,665,600".

Page 171, line 9, strike "$2,169,440,000" and insert "$2,082,662,400".

Page 171, line 10, strike "$14,560,000" and insert "$13,977,600".

Page 171, line 13, strike "$11,440,000" and insert "$10,982,400".

Page 205, line 4, strike "$892,320,000" and insert "$856,627,200".

Page 226, line 3, strike "$66,184,980,000" and insert "$65,905,824,960".

Page 226, line 6, strike "$631,800,000" and insert "$606,528,000".

Page 245, line 7, strike "$100,000,000" and insert "$96,000,000".

Page 254, line 14, strike "$77,700,000,000" and insert "$74,592,000,000".

Page 254, line 16, strike "$6,936,000" and insert "$6,658,560".

Page 255, line 23, strike "$685,360,000" and insert "$657,945,600".

Page 256, line 9, strike "$765,722,496" and insert "$735,093,596".

Page 260, line 18, strike "$281,840,000" and insert "$270,566,400".

Page 261, line 2, strike "$325,122,688" and insert "$312,117,780".

Page 261, line 12, strike "$27,144,000" and insert "$26,058,240".

Page 263, line 9, strike "$36,920,000" and insert "$35,443,200".

Page 263, line 19, strike "$10,816,000" and insert "$10,383,360".

Page 268, line 18, strike "$162,760,000" and insert "$156,249,600".

Page 313, line 24, strike "$30,000,000" and insert "$28,800,000".

Page 315, line 6, strike "$5,000,000" and insert "$4,800,000".

Page 317, line 2, strike "$15,000,000" and insert "$14,400,000".

Page 330, line 17, strike "$2,305,836,000" and insert "$2,213,602,560".

Page 330, line 21, strike "$1,509,144,000" and insert "$1,448,778,240".

Page 330, line 25, strike "$12,896,000" and insert "$12,380,160".

Page 331, line 2, strike "$13,000,000" and insert "$12,480,000".

Page 331, line 4, strike "$769,080,000" and insert "$738,318,800".

Page 331, line 6, strike "$832,000" and insert "$798,720".

Page 331, line 8, strike "$884,000" and insert "$848,640".

Page 331, line 15, strike "$283,719,072" and insert "$272,370,309".

Page 331, line 17, strike "$5,596,864" and insert "$5,372,989".

Page 331, line 19, strike "$7,358,160" and insert "$7,063,834".

Page 331, line 20, strike "$398,845,488" and insert "$382,891,668".

Page 331, line 22, strike "$106,500" and insert "$102,240".

Page 331, line 24, strike "$19,500" and insert "$18,720".

Page 332, line 15, strike "$1,144,000" and insert "$1,098,240".

Page 332, line 18, strike "$21,944,000" and insert "$21,066,240".

Page 332, line 19, strike "$624,000" and insert "$599,044".

Page 332, line 21, strike "$5,512,000" and insert "$5,291,520".

Page 333, line 14, strike "$22,568,000" and insert "$21,665,280".

Page 333, line 17, strike "$10,920,000" and insert "$10,483,200".

Page 333, line 19, strike "$14,456,000" and insert "$13,877,760".

Page 333, line 21, strike "$32,032,000" and insert "$30,750,720".

Page 334, line 5, strike "$430,664,000" and insert "$413,437,440".

Page 334, line 13, strike "$5,720,000" and insert "$5,491,200".

Page 349, line 10, strike "$3,402,880,000" and insert "$3,266,764,800".

Page 349, line 21, strike "$312,000,000" and insert "$299,520,000".

Page 350, line 10, strike "$7,280,000" and insert "$6,988,800".

Page 350, line 12, strike "$6,760,000" and insert "$6,489,600".

Page 350, line 14, strike "$3,120,000" and insert "$2,995,200".

Page 365, line 22, strike "$37,960,000" and insert "$36,441,600".

Page 366, line 10, strike "$2,080,000" and insert "$1,996,800".

Page 375, line 10, strike "$22,984,000" and insert "$22,064,640".

Page 382, line 24, strike "$6,552,000" and insert "$6,289,920".

Page 412, line 14, strike "$143,520,000" and insert "$137,779,200".

Page 433, line 23, strike "$187,200,000" and insert "$179,712,000".

Page 449, line 3, strike "$50,000,000" and insert "$48,000,000".

Page 449, line 14, strike "$89,696,000" and insert "$86,108,160".

Page 451, line 11, strike "$269,144,000" and insert "$258,186,240".

AMENDMENTS TO TABLE OF CONTENTS

In the table of contents, strike the item relating to section 141 and insert the following new item:

Sec. 141. Amendments to section 8 rental assistance program.

In the table of contents, after the item relating to section 532, insert the following new items:

Subtitle C—Improvement of Financing for Multifamily Housing

Sec. 541. Short title.
Sec. 542. Reinsurance pilot program.
Sec. 543. Multifamily housing financial data project.
Sec. 544. Definitions.

In the table of contents, after the item relating to section 710, insert the following new item:

Sec. 711. Reciprocity in approval of housing subdivisions among Federal agencies.

In the table of contents, redesignate the items relating to sections 806 through 809 to relate to sections 807 through 810, respectively.

In the table of contents, after the item relating to section 805, insert the following new item:

Sec. 806. Evaluation, selection, and review of economic development projects.

In the table of contents, after the item relating to section 916, insert the following new items:

Sec. 917. Bank Enterprise Act of 1991 and related provisions.
Sec. 918. Prohibition on use of "rule of 78's" in connection with mortgage refinancings and other consumer loans.
Sec. 919. Regulations clarifying the term "housing for older persons".
Sec. 920. Use of domestic products.

In the table of contents, after the item relating to section 1109, insert the following new items:

TITLE XII—REMOVAL OF REGULATORY BARRIERS TO AFFORDABLE HOUSING

Sec. 1201. Short title.
Sec. 1202. Purposes.
Sec. 1203. Definition of regulatory barriers to affordable housing.
Sec. 1204. CDBG grants for regulatory barrier removal strategies and implementation.
Sec. 1205. Regulatory barriers clearinghouse.
Sec. 1206. Substantially equivalent federal and State barrier assessment removal requirements.
Sec. 1207. Reports by secretary.
Sec. 1208. Sunset.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

For what reason does the gentleman from Ohio rise?

Mr. WYLIE. Mr. Chairman, I do not want to mislead the Chair. I am not opposed to the amendment.

The CHAIRMAN. Is there some Member designated as opposed to the amendment? Does the gentleman from Ohio [Mr. WYLIE] ask unanimous consent to control the time in opposition?

Mr. WYLIE. Mr. Chairman, I ask unanimous consent that I be allowed to control the time in opposition.

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

There was no objection.

□ 1350

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I rise to offer an en bloc amendment to H.R. 5334. This amendment represents a bipartisan commitment by members on both sides of the aisle to moving this housing legislation forward. It contains amendments filed by minority and majority members. I am pleased at the level of cooperation on all sides, particularly CHALMERS WYLIE and MARGE ROUKEMA, who have worked closely with me on fashioning this amendment.

The en bloc amendment contains a 4-percent across-the-board funding reduction, reflecting the tight budget environment that we must operate within. Of particular note, it contains a new FHA multifamily reinsurance pilot program. This pilot program will allow HUD to develop various models for risk sharing of multifamily housing, and eventually lead HUD out of the multifamily morass. It also contains guidelines for CDBG economic development, and provides funding for the development of strategies to remove barriers to affordable housing. It improves on a number of public housing provisions including vacancy reduction, demolition disposition, and choice in management and improves on the portability provisions of section 8 vouchers and certificates.

I urge my colleagues to support this amendment.

Mr. Chairman, I insert the following tabular material for the RECORD:

COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS

	Fiscal year						
	1992 authorization	1992 administration request	1992 appropriations[1]	1993 administration request	1993 H.R. 5334	1993 House appropriations	1993 revision, H.R. 5334
Title I—Housing Assistance:							
Subtitle A—General Provisons	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
Subtitle B—Public and Indian Housing	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,307,436,000	2,129,587,200
Subtitles C/D—Section 8/Other Programs	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	371,025,000	266,740,736
Subtitle E—Homeownership Programs	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	351,000,000	904,665,600
Title I total	18,463,165,000	18,540,334,000	18,723,215,000	18,062,824,919	18,595,398,556	16,999,780,000	17,853,582,614
Title II—Home Program	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
Title III—Preservation Program	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	1,000,000,000	856,627,200
Title IV—Multifamily Strategies							
Title V—Mortgage Insurance	0	0	506,151,000	638,736,000	638,736,000	634,353,000	615,186,560
Title VI—Elderly and Disabled Housing	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	1,447,550,000	2,251,857,777
Title VII—Rural Housing	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,056,561,000	1,191,580,251
Title VIII—Community Development	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	4,029,476,000	3,321,203,200
Title IX—Regulatory and Misc. ,rograms	28,934,000	43,000,000	33,000,000	42,750,000	29,536,000	32,600,000	28,354,560
Title X—McKinney Homeless Programs	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	537,278,000	709,785,600
Title XI—New Towns Demonstration					(2)		(2)
Total	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	26,337,598,000	28,910,840,161
Title I—Housing Assistance:							
Subtitle A—General Provisions:							
Public Housing Grants	574,500,000	0	573,983,000	0	597,480,000	609,000,000	573,580,800
Indian	237,800,000	0	227,170,000	0	247,312,000	257,320,000	237,419,520
Sec. 8—Certificates	1,960,800,000	0	915,750,000	0	2,039,232,000	851,500,000	1,957,662,720
Sec. 8—Multicultural Tenant Assist					(2)		(2)
CIAP	2,242,500,000	2,266,967,000	2,800,975,000	2,291,750,000	2,332,200,000	3,000,000,000	2,238,912,000
Sec. 8—Property Disposition/restore	438,100,000	266,682,500	88,884,000	110,000,000	455,624,000	93,032,000	437,399,040
Sec. 8—Loan Management/restore	166,900,000	348,750,000	257,000,000	202,400,000	173,576,000	202,000,000	166,632,960
Sec. 8—Expiring Contracts	7,100,000,000	7,024,589,000	7,355,128,000	7,261,632,000	7,261,632,000	6,346,135,000	6,971,166,720
Sec. 8—Contract Amendments	1,690,200,000	2,615,590,500	2,488,250,000	1,918,800,550	1,918,800,550	1,616,304,000	1,842,048,528
P.H. Lease Adjust./Amend	216,100,000	112,000,000	112,000,000	21,755,000	21,755,000	140,555,000	20,884,800
Sec. 8—P.H. Replacements	82,500,000	0	(35,997,548)	0	85,800,000	0	82,368,000
Section 23 Conversions		35,150,000	16,666,000	25,535,406	25,535,406	25,535,000	24,513,990
Weed & Seed Proposal				(39,929,948)			
Moving to Opportunity Proposal				(38,151,899)	(2)		(2)
P.H. Homeownership 5(h)/Voucher Proposal				(45,023,994)			
Sec. 8—Vouchers		2,145,600,000	777,500,000	2,690,813,463		813,500,000	(959,254,733)
Sec. 8—Elderly Coordinators		(16,250,000)	(16,250,000)	15,437,500		15,438,000	
Certificates/Voucher Opt-outs		31,100,000	16,667,000	0			
Rent Supp./RAP Conversions		41,000,000	16,667,000	0			
Low-Inc. Hsng Authorization—Subtotal	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
HOPE for Family Self-Sufficiency	(25,000,000)		(3)	(4)	(25,000,000)	(25,900,000)	(24,000,000)
Subtitle A—Subtotal	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
Subtitle B—Public and Indian Housing:							
Pub. Hsng. Operating Subsidies	2,086,000,000	2,155,844,000	2,450,000,000	2,282,436,000	2,169,440,000	2,282,436,000	2,082,662,400
Pub. Hsng. Income Deductions					(2)		(2)
Pub. Hsng. Vacancy Reduction	(5)			0	(6)		(6)
Pub. Hsng. Resident Mgmt	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(2)	(4,750,000)	(2)
P.H. Family Investment Centers	26,100,000	0	0	0	27,144,000	25,000,000	26,058,240
P.H. Early Child Dev. Grants	(15,700,000)	(5,000,000)	(5,000,000)	(4,750,000)	21,736,000	(5,000,000)	20,866,560
Indian P.H. Early Child Dev. Grants	(5,200,000)				(2)		(2)
Pub. Hsng. One-Stop Perinatal	(150,000)				(2)		(2)
National Comm. on Amer. Indians					(2)		(2)
Subtitle B—Subtotal	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,307,436,000	2,129,587,200
Subtitles C/D—Section 8/Other Programs:							
Sec. 8 Family Unification (Foster Care)	35,000,000		(50,000,000)	0	36,400,000	100,000,000	34,944,000
Moving to Opportunity				(38,151,899)	such sums		such sums
Pub. Hsng. Drug Elimination Grants	166,900,000	165,000,000	165,000,000	165,000,000	173,576,000	165,000,000	166,632,960
Flexible Subsidy/RESTORE	52,200,000	203,413,000	50,000,000	50,000,000	54,288,000		52,116,480
Housing Counseling	3,700,000	3,700,000	6,025,000	3,515,000	3,848,000	6,025,000	3,694,080
Emergency Housing Counseling	7,000,000	0	(2,000,000)	0	7,280,000		6,988,800
Counseling Certification Training							2,000,000
Prepurchase Counseling	365,000		350,000		379,600		364,416
Lead Based Paint Demo			50,000,000	23,750,000		100,000,000	
Youthbuild					(2)		(2)
Subtitles C&D—Subtotal	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	371,025,000	266,740,736
Subtitle E—Homeownership Programs:							
HOPE Homeownership Grants:							
I. Public/Indian Housing	380,000,000	380,000,000	161,000,000	450,000,000	100,000,000	161,000,000	96,000,000
II. Multifamily Units	280,000,000	280,000,000	95,000,000	325,000,000	100,000,000	95,000,000	96,000,000
III. Single Family Homes	195,000,000	195,000,000	95,000,000	225,000,000	200,000,000	95,000,000	192,000,000
HOPE Subtotal	855,000,000	855,000,000	351,000,000	1,000,000,000	400,000,000	351,000,000	384,000,000
Pub. Hsng Non-Purchaser Rental Assist.		53,990,000	0	(62,281,585)			
Pub. Hsng Replacement Units		215,958,000	0	(249,158,577)			
HOPE 2 Non-Purchaser Assistance				(44,766,898)			
Subtotal	0	269,948,000	0	0	0	0	0
National Homeownership Trust	521,500,000	0	4,200,000	0	542,360,000	0	520,665,600
Trust/MRB Setaside					(2)	0	(2)
Indian Housing Loan Guarantees					(2)		(2)
Subtitle E—Homeownership Subtotal	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	351,000,000	904,665,600
Title I total	18,463,165,000	18,540,334,000	18,723,215,000	18,062,824,919	18,595,398,556	16,999,780,000	17,853,582,614
Title II—HOME Investment Partnerships:							
HOME Investment Partnership Program	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
Comm. Housing Partnership Strategies	(14,000,000)		(14,000,000)		(14,560,000)		(13,977,600)
State/Local Housing Strategies	(11,000,000)		(11,000,000)		(11,440,000)		(10,982,400)

COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year—						
	1992 authorization	1992 administration request	1992 appropriations[1]	1993 administration request	1993 H.R. 5334	1993 House appropriations	1993 revision, H.R. 5334
HOME/Indians		(125,000,000)		(125,000,000)		0	
Title II total	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
TITLE III—Preservation:							
Preservation Fund	858,000,000				892,320,000	1,000,000,000	856,627,200
Vouchers/Section 8 Cert		49,042,000	49,042,000	469,256,000			
Incentives/Homeownership		669,420,000	569,420,000	692,742,000	(692,742,000)		
Title III total	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	1,000,000,000	856,627,200
Title IV—Multifamily Housing Strategies							
Title V—Mortgage Ins./Secondary Market:							
FHA Credit Limitation (MMI)	(79,818,000,000)	(53,592,815,000)	(60,000,000,000)	(57,146,000,000)	(66,184,980,000)	(59,146,000,000)	65,905,824,960)
FHA Credit Subsidy			499,556,000	631,800,000	631,800,000	627,673,000	606,528,000
GNMA Credit Limitation	(88,296,000,000)	(74,769,293,000)	(74,769,293,000)	(77,700,000,000)	(77,700,000)	(77,700,000,000)	(74,592,000,000)
GNMA Credit Subsidy			6,595,000	6,936,000	6,936,000	6,680,000	6,658,560
Reinsurance Pilot Program							2,000,000
Title V total	0	0	506,151,000	638,736,000	638,736,000	634,353,000	615,186,560
Title VI—Housing for Elderly/Disabled:							
Sec. 202 Elderly Advances	659,000,000	76,405,000	538,808,000	48,741,560	685,360,000	512,050,000	657,945,600
Elderly Rental Assistance/Leases	363,000,000	122,600,000	451,200,000	127,842,830	765,722,496	571,840,000	735,093,596
Sec. 811 Disabled Advances	271,000,000	76,405,000	102,860,000	49,938,000	281,840,000	100,450,000	270,566,400
Disabled Rental Assistance/Leases	246,000,000	91,940,000	100,159,000	94,701,691	325,122,688	115,710,000	312,117,780
Congregate Services	26,100,000	0	17,700,000	0	27,144,000	7,500,000	26,058,240
Elderly Indep. Sec. 8 Cert./Vouchers	(35,500,000)	(35,800,000)	(35,800,000)	(38,151,899)	36,920,000	(38,288,000)	35,443,200
Elderly Indep. Services	10,400,000	10,400,000	10,000,000	10,246,000	10,816,000	10,000,000	10,383,360
AIDS Housing Program	156,500,000	0	50,000,000	0	162,760,000	100,000,000	156,249,600
Mixed Populations Provisions					50,000,000	30,000,000	48,000,000
Title VI Subtotal	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	1,447,550,000	2,251,857,777
Title VII—Rural Housing:							
Sec. 502 Homeownership (Direct) Loans	1,451,100,000	527,000,000	1,245,000,000	450,000,000	1,509,144,000	1,245,000,000	1,448,778,240
Sec. 502 Unsubsidized Direct Loans		32,000,000	50,000,000	0		50,000,000	
Sec. 502 Unsubsidized Guaranteed Loans		347,000,000	329,500,000	300,000,000	(2)	329,500,000	(2)
Sec. 502 Subsidized Guaranteed Loans		347,000,000	0	400,000,000			
Sec. 504 Improvement Loans	12,400,000	11,100,000	11,330,000	11,100,000	12,896,000	11,330,000	12,380,160
Sec. 514 Farm Labor Loans	12,500,000	16,250,000	16,300,000	16,250,000	13,000,000	16,300,000	12,480,000
Sec. 515 Multifamily Loans	739,500,000	341,000,000	573,900,000	341,000,000	769,080,000	500,000,000	738,316,800
Sec. 523 Mutual/Self-help Loans	800,000	0	500,000	0	832,000	500,000	798,720
Sec. 524 Site Loans	850,000	0	600,000	0	884,000	600,000	848,640
Aggregate Loan Authority	2,217,150,000	1,621,350,000	2,227,130,000	1,518,350,000	2,305,836,000	2,153,230,000	2,213,602,000
Rural Credit Subsidy Authorizations:							
Sec. 502 Rural Homeownership Loans	272,806,000	99,076,000	234,060,000	84,600,000	283,719,072	303,158,000	272,370,309
Sec. 502 Unsubsidized Guaranteed Loans		3,920,000	3,722,988	5,550,000	0	6,096,000	0
Sec. 504 Rural Improvement Loans	5,381,600	4,817,400	4,917,220	4,817,400	5,596,864	4,578,000	5,372,989
Sec. 514 Farm Labor Loans	7,075,000	9,197,500	9,225,800	9,197,500	7,358,000	8,029,000	7,063,680
Sec. 515 Rural Multifamily Loans	381,582,000	175,956,000	296,132,400	175,956,000	398,845,488	356,550,000	382,891,668
Sec. 523 Mutual Self-Help Loans	102,400	0	64,000	0	106,500	0	102,240
Sec. 524 Site Loans	18,700	0	13,200	0	19,500	0	18,720
Subtotal	666,966,500	292,967,618	548,135,608	280,1220,900	695,645,424	678,411,000	667,819,607
Rural Housing Support Programs:							
Sec. 502 Security Grants	1,100,000	0			1,144,000		1,098,240
Sec. 504 Improvement Grants	21,100,000	5,000,000	12,500,000	5,000,000	21,944,000	12,500,000	21,066,240
Sec. 509(c) Construction Defects Grants	600,000	0	500,000	0	624,000	500,000	599,044
Sec. 509 Project Preparation Grants	5,300,000	0	2,500,000	0	5,512,000	2,500,000	5,291,520
Sec. 515 Service Coordinators					such sums		such sums
Sec. 516 Farm Labor Grants	21,700,000	5,000,000	11,000,000	10,000,000	22,568,000	11,000,000	21,665,280
Sec. 516(k) Migrant Homeless Program	10,500,000	0		0	10,920,000		10,483,200
Sec. 523(f) Mutual/Self-Help Grants	13,900,000	0	8,750,000	0	14,456,000	8,750,000	13,877,760
Sec. 533 Preservation Grants	30,800,000	10,000,000	23,000,000	10,000,000	32,032,000	23,000,000	30,750,720
Subtotal	105,000,000	20,000,000	58,250,000	25,000,000	109,200,000	58,250,000	104,832,004
Rental Assistance Payments (RAP)	414,100,000	258,000,000	308,100,000	190,200,000	430,664,000	308,100,000	413,437,440
Rural Prepayments/Supp. RAP	5,500,000	11,800,000	11,800,000	11,800,000	5,720,000	11,800,000	5,491,200
Rural Housing Vouchers		189,928,000	0	140,000,000			
Title VII total	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,056,561,000	1,191,580,251
Title VIII—Community Development:							
Community Development Block Grants (CDBG)	3,272,000,000	2,920,000,000	3,400,000,000	2,900,000,000	3,402,880,000	4,000,000,000	3,266,764,800
CDBG Work Study Program	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,120,000)	(3,000,000)	(2,995,200)
Historically Black Colleges	(6,500,000)	(4,500,000)	(4,500,000)	(4,500,000)	(6,760,000)	(4,500,000)	(6,489,600)
Insular Areas	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,280,000)	(7,000,000)	(6,988,800)
Comm./Univ. Partnership					(2)		(2)
CDBG Redevelopment Provision					(2)		(2)
CD Comm. Planning Adjustments					(2)		(2)
CD Reallocations and Tech. Assist.					(2)		(2)
CD Mapping Provision					(2)	(500,000)	(2)
Section 108 Loan Guarantees	(300,000,000)	0	(140,000,000)	0	(312,000,000)	(300,000,000)	(299,520,000)
Special Purpose/Projects Grants			150,000,000	0	17,160,000)	(14,500,000)	0
Computerized CD Plans					(2)		(2)
Barrier Removal Strategies							15,000,000
Econ. Dev. Evaluations							1,000,000
Neighborhood Reinvestment Corp.	36,500,000	26,900,000	31,900,000	27,976,000	37,960,000	29,476,000	36,441,600
Neighborhood Development Demo.	(2,000,000)	0	(2,000,000)	0	2,808,000		1,996,800
Title VIII total	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	4,029,476,000	3,321,203,200
Titles IX—Regulatory and Misc. Programs:							
HUD Research & Development	22,100,000	35,000,000	25,000,000	35,150,000	22,984,000	25,000,000	22,064,640
Fair Housing Initiatives Program (FHIP)	6,300,000	8,000,000	8,000,000	7,600,000	6,552,000	7,600,000	6,289,920
HUD Monitoring & Eval.					(2)		(2)
National Comm. on Manuf. Hsng					(2)	(1,000,000)	(2)
National Institute of Building Sciences	534,000	0		0	0		0

COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year						
	1992 authorization	1992 administration request	1992 appropriations[1]	1993 administration request	1993 H.R. 5334	1993 House appropriations	1993 revision, H.R. 5334
Solar Bank					(2)		(2)
National Amer. Indian Hsng Council					(2)		(2)
Titles IX total	28,934,000	43,000,000	33,000,000	42,750,000	29,536,000	32,600,000	28,354,560
Title X—HUD McKinney Homeless:							
Emergency Shelter Grants	138,000,000	71,000,000	73,164,000	17,450,000	143,520,000	17,450,000	137,779,200
Supportive Housing/Transitional Program	150,000,000	150,000,000	150,000,000	203,926,000	187,200,000	150,000,000	179,712,000
Supplemental Assistance (SAFAH) Program	30,000,000	0	11,263,000	0	(31,200,000)	0	0
Sec. 8 Assistance for SROs	82,400,000	0	105,000,000	0	89,696,000	103,926,000	86,108,160
Shelter Plus Care Program:							
II. Rental Housing Assistance	167,200,000	167,200,000	0				
III. SRO's	54,200,000	53,333,000	73,333,000				
IV. Sec. 202	37,200,000	37,200,000	37,200,000				
Revised/Consolidated Shelter Plus Care	(258,600,000)	(257,733,000)	(110,533,000)	265,902,000	269,144,000	265,902,000	258,186,240
Rural Homeless Grants					(2)		(2)
Safe Havens				50,000,000	50,000,000	0	48,000,000
Bush Exemplary Program Initiative		57,000,000	0	0			0
Title X Total	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	537,278,000	709,785,600
Title XI—New Towns Demonstration					(2)		(2)
Total	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	26,337,598,000	28,910,840,161
Use of Carryover Funds/Transfers			762,000,000	320,934,190	0	42,934,000	0
Use of Recaptures (Sec. 202/Other)			1,750,000,000	244,300,000	0	244,300,000	0
PHA Savings				12,000,000	0	0	0
Adjusted total	28,327,165,500	24,934,874,618	25,097,700,608	24,472,919,710	30,094,825,164	26,050,364,000	28,910,840,161
HUD Housing Programs (New BA & Without FmHA Rural)	27,135,599,000	24,162,179,000	24,171,415,000	23,825,798,810	28,853,595,740	24,993,803,000	27,719,259,910

[1]Provides the enacted FY 1992 Appropriations Act funding levels without adjustments for subsequent rescissions or HUD operating plan changes.
[2]Such sums.
[3]10 percent Sub. Hsng.
[4]All Sub. Hsng.
[5]$200m. P.H. Mod.
[6]9 percent P.H. Mod.
ASource: Subcommittee on Housing and Community Development.

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

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

Mr. Chairman, I rise in support of the en bloc amendment. I want to commend the chairman on his willingness in the en bloc to begin to address the issues in a way that I believe will result in legislation that will be acceptable to the administration and all Members. I use the word "begin" because I believe that there are a number of issues that still need to be addressed in this legislation. However, I am confident from discussion with the chairman, that these issues can be addressed at the conference on this bill.

May I call attention to several of the amendments in the en bloc that I consider of particular importance. I want to commend Mrs. ROUKEMA for several amendments. One of Mrs. ROUKEMA's amendments would provide residents of troubled public housing with authority to hire new management to replace the PHA. While I do not believe this legislation is as far-reaching as the administration's perestroika for troubled Public Housing Program, it is a good proposal and moves in the right direction.

Mrs. ROUKEMA also has an amendment in the en bloc that would help break the logjam in public housing demolition and disposition by allowing the use of 5-year section 8 assistance as replacement housing under certain circumstances.

I also would call attention to several amendments that I worked on with Chairman GONZALEZ in the spirit of comity and compromise. In particular, Mr. GONZALEZ accepted my amendment that would provide a 4 percent across-the-board reduction in the authorization levels. This would result in a reduction in the authorization level of the bill from $30.1 billion to $28.8 billion. While this is still greater than the $26.9 billion appropriated by the House for housing programs in fiscal year 1993, I believe that this amendment recognizes the practical constraints in all of the programs facing Congress this year in this spending decisions.

I am also concerned, along with the administration, about the local match. We have a compromise here which provides a flat 20-percent match. I know the administration would like more. It was 10 percent when we started.

I want to emphasize that the local match is a key component of the HOME Program. I am confident that we will work something out with regard to the match in conference.

Another amendment that I believe deserves special attention is the amendment that ensures that multifamily housing and the Youth Sports Program receive appropriate funding under the Public and Assisted Housing Drug Elimination Program. Drugs are a problem that continues to plague this country and the Youth Sports Program, which I sponsored in the 1990 housing bill at the suggestion of Secretary Kemp, is especially deserving as it provides youths with activities that emphasize a positive and healthy lifestyle.

Finally, Mr. Chairman, I am also happy to note that the en bloc contains Mr. RIDGE's amendments to the Bank Enterprise Act. I think this is very desirable.

I urge support of the en block amendment.

I would also like to take this opportunity to clarify the provisions in title VI of H.R. 5334 that address the issue of mixed populations in federally assisted multifamily housing that is designated as elderly. These provisions are intended to provide an option to owners of federally assisted multifamily housing to ensure that elderly housing remains, as its name implies, housing for the elderly.

Under these provisions, an owner of federally assisted multifamily housing would be allowed to provide a preference for occupancy in elderly housing for elderly persons. A secondary preference would be provided to handicapped and disabled families who are near elderly. Any remaining units would have to be made available for occupancy by handicapped and disabled families who are not elderly or near elderly.

This preference would be subject to the requirement that at least 10 percent of the units be reserved for handicapped and disabled families who are not elderly or near elderly. A secondary preference for occupancy under this 10 percent reservation would be for handicapped and disabled families who are near elderly. Any remaining units under the reservation would have to be made available for occupancy by elderly families. This 10-percent reservation would be modified for certain projects that currently have less than 10 percent of the units occupied by handicapped and disabled families who are not elderly or near elderly. For those projects, the minimum occupancy requirement would be percentage of units in a project occupied by handicapped and disabled families who are not elderly or near elderly as of the date of enactment or

January 1, 1992, whichever percentage is higher.

The existing Federal preferences would otherwise apply within each grouping, to the extent that they currently apply under the applicable Multifamily Housing Program. For example, an elderly family with a Federal preference would receive housing before an elderly family without a Federal preference; a near elderly handicapped or disabled family with a Federal preference would receive a preference over a near elderly handicapped or disabled family without a Federal preference; a handicapped or disabled family who is not elderly or near elderly with a Federal preference would receive a preference over a handicapped or disabled family who is not elderly or near elderly without a Federal preference.

I would like to emphasize that the use of this preference system would be at the election of the multifamily housing owner. The housing would otherwise be subject to the existing occupancy requirements under the individual programs.

This is particularly important to note with regard to elderly housing assisted under the section 221(d)(3) BMIR Program, the 236 Program, and the pre-NAHA 202 Elderly Program. Under the section 221(d)(3) BMIR Program and the section 236 Program, for housing that is designated as elderly, an owner can currently deny admission to handicapped and disabled families if they do not qualify as elderly.

This is also true for the pre-1990 section 202 Elderly Program, except that 10 percent of the units in these projects have generally been designed and designated for physically handicapped persons whose handicap results in a functional limitation in access to and use of the building. Owners are required to admit eligible nonelderly as well as elderly physically handicapped to these units. However, nonelderly physically handicapped may only be admitted if the special features of the unit are necessary based on the nature of the person's disability. For example, as noted in the committee report to the bill, a nonelderly person with a mobility impairment requiring a wheelchair or a walker would be eligible for one of these units because of the need for the accessibility features of the unit. A nonelderly person whose only disability is chronic mental illness would not be eligible. Only persons or families whose head is a person 62 years of age or older would be eligible for the other 90 percent of the units in a pre-1990 section 202 elderly project.

I believe that the provisions in title VI of H.R. 5334 are a positive approach to the issue of mixed populations in public and federally assisted multifamily elderly housing. I would also like to add that title VI contains provisions for supportive services and service coordinators, and other provisions to ensure that an adequate supply of housing remains affordable and available to elderly, handicapped, and disabled persons.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in support of the overall bill and in support of the en bloc amendments, a major compromise that has achieved sound bipartisan support for this measure. I commend the chairman and the ranking member and those who participated in the negotiations of this measure. While I have strong feelings about elements of this bill, and certain policies, clearly I think the compromise the committee has achieved here will facilitate the passage of this important housing authorization and community development bill.

Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. This bill, as amended today, will provide nearly $30 billion in housing and community development assistance and will reauthorize and extend programs of the National Affordable Housing Act of 1990.

These are harsh economic times and housing needs are great. About 28 million Americans live in poverty and only about one-third of them receive any Government housing aid. Almost 10 million Americans are unemployed. In 1989, more than 8 million very low-income renters either lived in substandard housing or paid over 30 percent of their income for housing. Perhaps as many as 3 million live on our streets every year. This is certainly a far cry from decent safe sanitary affordable housing for all Americans. We need this legislation.

H.R. 5334 is the result of numerous hearings and hard work by the Housing Subcommittee that has brought this substantial legislation to the floor today. The bill contains many provisions and programs that I support and I would like to highlight just a few.

Importantly, this bill has maintained a provision to repeal the 57 percent limitation on the financing of closing costs on FHA mortgage insurance imposed by regulatory fiat by HUD. This is a small step to take to begin the process of rebuilding the strength of FHA business and ultimately the FHA fund. The FHA Program that in 1989 afforded 450,000 first time buyers the opportunity to purchase a home is in distinct and direct jeopardy of becoming extinct. Today the FHA's powerful countercyclical force is being limited. Despite the Bush-Kemp rhetoric on empowerment and ownership when it comes to their favorite target, public housing, the FHA Program, which has served to build the American dream for nearly 60 years, is being hobbled.

Some may argue and rewrite the 1990 legislative history and that this change will jeopardize the MMI fund. I disagree. The initial limits on allowable closing cost financing were included within the loan to value ratio in the 1990 housing law. FHA will never meet any capital standards if it doesn't attract business. Its market share has dropped significantly, some 12 percent as a result of HUD draconian implementation of the 1990 reforms. The FHA insurance fund must market itself and the removal of the 57-percent limitation will simplify and streamline FHA to restore it as an attractive alternative for mortgage insurance.

H.R. 5334 also addresses the thorny issue of mixed age and ability populations in public and federally assisted housing.

In response to concerns around the country the Banking Committee has carefully crafted a new policy regarding mixed populations in public and assisted housing. This compromise will allow for elderly only housing while maintaining the responsibility of public housing authorities [PHA's] to house all those in need on their waiting list. For many, public housing is the only opportunity for decent, safe, and affordable housing. This plan gives PHA's the ability to provide appropriate housing alternatives, including some mixed buildings, scattered-site houses, or smaller apartment buildings along with appropriate services and staffing. Additionally, the bill provides an option for assisted housing programs to adhere to a similar type of program voluntarily.

This legislation reauthorizes several other important housing programs including public housing, section 8 assistance, supportive housing for the elderly under section 202 housing, the Congregate Housing Services Program, and the neighborhood housing services programs and others under Neighborhood Reinvestment Corporation. It continues to substantiate work of the Congress in 1990 on the preservation, or prepayment issue for low-income housing.

H.R. 5334 will reauthorize that essential workhorse of cities, the community development block grant. It also continues the new home investment partnership block grant with a reduced match to greater facilitate its access to economically stressed cities and States. Rebuilding and strengthening our communities is absolutely essential to show our commitment to a new and competitive United States.

As my colleagues are aware, this comprehensive housing bill contains the majority of the housing and shelter programs included in my bill, H.R. 4300, the Stewart B. McKinney Homeless Assistance Amendments Act. In fact, the programs that are not duplicated here are the Interagency Council for the Homeless and the Federal Emergency Management Agency's Emergency Food and Shelter Program. They will be passed in the McKinney bill.

I had hoped that by now we could have moved beyond the McKinney Act. Unfortunately, homelessness persists—a tragic consequence of the excesses of the 1980's and a precursor of the 1990's if changes are not made—if you will, the human deficit left behind by the misplaced priorities of the last decade.

In addition to reauthorizing existing programs such as emergency shelter grants, and the section 8 SRO, both this bill and H.R. 4300 also will create

new programs targeted toward specific needs of rural homeless persons and mentally ill homeless persons. Other McKinney programs will now be consolidated into two programs.

The new programs—the rural homeless demonstration grant, Farmers Home Property Disposition for the Homeless and the Safe Havens Program—work to better target homeless assistance to rural areas. Safe havens is a bipartisan response to a Federal task force report on homelessness and severe mental illness "Outcasts on Main Street." With Safe Havens, we have created a program that should respond to the special concerns and unique needs of the mentally ill homeless, especially those people that have been reluctant to seek assistance up until now.

The consolidation of programs affects five current McKinney programs. Supportive housing and SAFAH will be merged—preserving the current flexibility of SAFAH and the eligible activities guidelines of supportive housing, while simplifying the process of applying for funding. The same can be said for the shelter plus care consolidation which should help providers more easily access programs.

The bill also breaks new ground for homeless assistance programs by providing guidelines for employment by programs, and consultation and/or representation of homeless or formerly homeless persons with or on the policy making entities of programs that receive McKinney assistance. This kind of involvement can only further improve these programs in meeting the diverse needs of the people they serve while also providing for additional needed skills or experience to those same persons.

Mr. Chairman, I urge my colleagues to support this bill.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. EDWARDS], a member of the Committee on the Judiciary, who will speak with respect to an amendment in the en bloc amendments.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman for yielding me this time. I will not take the full 2 minutes.

Mr. STEARNS' proposed amendment would require the Secretary of Housing and Urban Development to draft regulations that define terminology in the Fair Housing Act. I recognize the importance of drafting useful regulations. However, while considering this amendment, I believe it is important to stress the policy underlying the Fair Housing Act as amended in 1988 and the commitment we undertook at that time to protect families with children from housing discrimination.

A HUD survey conducted in the 1980's highlighted the rampant discrimination that prevented many families from participating in the housing market. For example, 75 percent of the rental units surveyed by HUD either barred or restricted families with children. In 1988, we amended the Fair Housing Act to address that problem. The 1988 amendments struck a balance between banning housing discrimination against families with children while allowing senior citizens to live in bona fide housing for older persons. The legislation intends to ensure that older persons receive the services they need, and also to ensure that communities do not falsely claim to be housing for older persons just to keep children away.

Thus, should we enact this legislation, I urge HUD to draw careful and clear standards that uphold the intent of the Fair Housing Act Amendments of 1988. In an effort to clarify the Fair Housing Act, we cannot victimize families with children again.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the en bloc amendment.

I want to commend the chairman of the committee for his willingness to expedite consideration of this housing bill by agreeing to accept several amendments, including those sponsored by myself and other Republican Members, the gentleman from Florida [Mr. STEARNS], the gentleman from Pennsylvania [Mr. RIDGE], the gentleman from California [Mr. RIGGS], the gentleman from Ohio [Mr. KASICH], and the gentleman from Ohio [Mr. WYLIE], as part of the leadership amendment.

In particular, I want to recognize the fact that three of my initiatives have been incorporated into the amendment. These initiatives include:

PUBLIC HOUSING REPLACEMENT

Mr. Chairman, in partnership with the gentleman from Massachusetts [Mr. FRANK], my first amendment would change existing law regarding the ways in which public housing authorities can replace their uninhabitable vacant units and units scheduled for demolition.

My amendment would add to the current list of eligible replacement options a 5-year project based on 5-year tenant based certificate for the replacement of units demolished in quantities greater than 200 units.

Currently, there are well over 50,000 vacant public housing units in the inventory. HUD even estimates that the number is closer to 100,000.

Excessive vacancy rates can be attributed to a whole host of reasons ranging from inadequate modernization funding; to poor management; to the current 1-for-1 replacement law.

This amendment does not mandate that 5-year certificates be used. It merely provides another option for replacement.

For those Members who have large cities with large public housing authorities who have thousands of vacancies, this change will help provide decent housing for low-income people.

Again, I thank Mr. FRANK for his willingness to work this out.

CHOICE IN MANAGEMENT

My second amendment is similar to the one I offered in committee and again is offered in a bipartisan spirit through the efforts of Mr. FRANK.

This amendment guarantees the residents living in troubled housing projects within a troubled housing authority the right to choose the management of their development from among nonprofit, public, and private groups if they feel the current PHA is not meeting their needs for safe and decent housing.

This provision is limited to the most distressed PHA's, as determined by the new Public Housing Management Assessment Program.

Under this program, resident councils in eligible developments or buildings would apply to the PHA for approval to transfer management of their development to alternative managers. This is an empowerment initiative, if you will.

In summary, this proposal would allow the residents to decide to try alternative management when they feel their needs are not being met by the housing authority.

SUBSIDY FOR VACANT HOUSING UNITS

Mr. Chairman, my third amendment was intended to add some teeth to the Vacancy Reduction Program we included in the Housing Act of 1990 by helping to eliminate excessive vacancies in public housing and to save the taxpayer some money.

As my colleagues know, Federal subsidy in the form of operating expenses is paid to public housing authorities on the basis of the number of housing units they own and operate, regardless of whether they are occupied or not. This policy makes no sense.

My amendment provides that 2 years after the submission of such a vacancy reduction plan and the provision of funds by HUD to carry out the plan, HUD may withhold up to 80 percent of the annual subsidy paid for each vacant unit in a PHA if progress is not being made. Those funds in turn would be placed in a new account in the name of the PHA to be used to carry out the provisions of the plan.

In other words, the operating subsidy would not be taken away from the PHA but would be targeted to the rehabilitation of those very same units for which they receive subsidy.

Finally, I want to commend the chairman for including in this amendment amendments which address barriers to affordable housing; a change in the HOME match; property disposition for the homeless; and the additional reduction in the overall funding levels for the bill.

I believe these amendments are all positive and would urge bipartisan support and passage. This will become law this year.

I urge adoption of this en bloc amendment.

Mr. GONZALEZ. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, I rise in support of H.R. 5334 and commend the committee for bringing this legislation to the floor.

I would especially like to thank the distinguished chairman of the committee, Mr. GONZALEZ, for including an amendment I authored in his en bloc amendment.

This provision will help qualified, disabled veterans secure better access to housing under the Federal section 8 rental subsidy program. In doing so, we are taking a humane step and a fiscally prudent one as well.

These veterans are currently on waiting lists for section 8 vouchers and certificates. However, they are repeatedly passed over for subsidized housing because HUD has held that they do not meet Federal preferences. As a result, they are currently being maintained in VA hospitals and nursing homes, at great cost to the Federal Government, solely because their disabilities make their own homes inaccessible. By including inaccessibility as part of the definition of substandard housing, we will make them eligible for Federal preferences. This will make it possible for them to have their own homes once again.

Since these individuals are already on waiting lists for federally subsidized housing, the amendment would not cause any additional cost. In fact, it would save the Federal Government hundreds of thousands of dollars because it is far less costly to house an individual under the section 8 program than in a hospital or nursing home. In New York State, the average cost of a section 8 voucher is $300 per month. This is far lower than the cost of keeping an individual in a VA hospital, which on average costs $396 per day.

I thank the chairman for his assistance in helping to remedy this problem.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I rise in very strong support of the gentleman's bill.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY], our distinguished chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the en bloc amendments, and the amendment offered by the gentlewoman from New York [Mrs. LOWEY]. The gentlewoman is to be commended for identifying a problem facing a number of veterans who are hospitalized or reside in nursing homes and have a disability which prevents them from returning to their own homes, solely because of the home's configuration. The gentlewoman's amendment will help these veterans obtain assistance for a unit designed for the handicapped. This amendment is narrowly drawn to ensure that veterans who truly need this assistance will be eligible to receive it.

Mr. Chairman, I want to thank the chairman of the Committee on Banking, Finance and Urban Affairs, the distinguished gentleman from Texas [Mr. GONZALEZ] for agreeing to this amendment. The gentleman has been a supporter of veterans programs and a friend of the veteran community for many years, and for that, I am very grateful.

I also want to thank the ranking minority member of the committee, the gentleman from Ohio [Mr. WYLIE] who also serves as a ranking member of the Committee on Veterans' Affairs. The gentleman from Ohio has always looked out for the disabled veteran and I thank him for his support on this amendment.

Mr. WYLIE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, as I stated a little earlier, this is a group of amendments which the chairman and I worked on together. I attempted to address all of the administration's requests in the statement of administration policy. Unfortunately, the administration policy statement did not come to me until after the Committee on Rules hearing yesterday. But we had already discussed several of them.

We have addressed directly four of the eight problems which the administration has. We know that they have expressed some concern about inadequate funding for the HOPE Program. We do have $400 million in there for that program now, which is a move in the right direction, and we will try to get some more for that program later on.

We did reverse the 57-percent requirement on closing costs. The reason for that, in part, is because the same provision was in the VA-HUD appropriation bill last week and passed overwhelmingly there. We were not able to get enough votes in our Banking Committee or in the Subcommittee on Housing to retain that language. We had to be realistic about it.

The realtors, the homebuilders, and the mortgage bankers are all opposed to that right now and seem to think that the FHA program will work better without it and that the mutual mortgage insurance fund will be adequate without that. I suppose we will have to wait and see.

We do increase the FHA mortgage limits, but again, that is the same as was in the VA-HUD bill last week, to $151,000. I think that is realistic.

We made a compromise on the home match issue.

On the other issues, we were able to take care of the administration's concerns.

I think we have gone a long way, and I would hope that the administration would suggest an "aye" vote, or I would suggest to the President that he sign the bill when it comes up.

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

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Chairman, I rise in support of the committee bill, most especially the provision in title I that deals with the mixed-housing issue as it affects senior citizens' apartments across this country. I think the committee has done good work to come to a resolution of the problem.

Mr. Chairman, I support H.R. 5334, because it addresses the biggest problem facing public housing in this country today. Chairman GONZALEZ, Congresswoman ROUKEMA, and Congressman KLECZKA deserve great credit for their efforts in finding a workable solution on this issue.

Since the days of President Franklin Roosevelt, this Nation has had an affordable housing program for our citizens. Since that time, this country has felt, as a matter of policy, that it was appropriate for public housing agencies to designate buildings for elderly tenants over the age of 62.

Especially in the past few years, different laws and regulations have crept onto the books which have gutted that policy. Just Monday, we read in the *New York Times* of the problems that have developed by mixing elderly and nonelderly populations in public housing. It has caused crime—fear—and a sense of a loss of security by the elderly in their own homes.

Whatever the reasons for this foolhardy and misguided policy, H.R. 5334 takes a major step to correct it, while protecting the rights of the nonelderly. The bill, first and foremost, sensibly redefines the word "elderly" in the United States Housing Act to mean people who are 62 years old or older. Then, it provides that public housing agencies may designate buildings as being available only for elderly tenants.

The bill provides unprecedented choice in housing for nonelderly tenants. There are set-asides of section 8 certificates and vouchers. It preserves tenants' status on an agency's waiting list for section 8 assistance. It requires public housing agencies to develop an allocation plan to show HUD how they will house the nonelderly. It sets aside major reconstruction funds to reconfigure projects to better suit the disabled. Finally, this legislation also addresses the issue of mixed populations in federally assisted housing programs, such as section 8 projects, and old section 202 projects. The bill is a comprehensive solution to this problem, which I first identified last year on introduction of H.R. 3425.

After the introduction of H.R. 3425, Congressman KLECZKA introduced H.R. 4435. The compromise before us today reflects, in my view, the best efforts and the best blend of the two bills. It is a well-thought-out, workable policy, and I appreciate the efforts of the Housing

Subcommittee members, most especially GERRY KLECZKA, MARGE ROUKEMA, BARNEY FRANK, RICHIE NEAL, and FLOYD FLAKE to solve this problem. I urge support for the bill.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. ERDREICH] for a colloquy.

Mr. ERDREICH. Mr. Chairman, as you know, I successfully offered an amendment in full committee that expands the owner's ability to evict section 8 tenants who have engaged in criminal activity. We all know the importance of the section 8 program, but it is also important that criminal activity not be tolerated in section 8 dwellings threatening other residents and communities surrounding that dwelling.

Mr. Chairman, I want to make clear that these important provisions we add to the bill do not preempt or in any way alter existing rights or causes of action that might exist under Federal, State, or local law.

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

Mr. ERDREICH. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, the gentleman can be assured that these provisions do not preempt any existing causes of action under Federal, State, or local law, and that is my interpretation of the effect of these amendments.

Also, please note, however, that it is the committee's intent to protect innocent family members not associated with criminal activity. Innocent family members should not be held responsible for the criminal activities of others, and their rights for housing assistance should be protected.

Mr. ERDREICH. I thank the chairman. This will give all interested parties, the owner, the neighborhood, and local government officials, the opportunity to take corrective action to help protect and preserve our neighborhoods from criminal activities of the few.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I rise in support of this amendment, which is a positive step for thousands of seniors around the country who live in adult communities.

Members will recall that the Fair Housing Act of 1988 recognized the need to protect adult-only communities from the bill's antidiscrimination requirements. As I knew then and we should all know by now, however, the criteria used to determine whether a community merited an exemption are seriously flawed. The worst feature is the so-called significant facilities requirement, which was never adequately defined in the law or regulations that followed. For many adult communities, complying with this shadowy concept has been an absolute nightmare.

This has been especially true in south Florida. Hundreds of citizens have already had to hire lawyers to defend their adult communities against charges of discrimination, and still more live with the constant worry of having to do so.

To give you an example of the extent to which these lawsuits have gone, in one suit in Federal court over 80 defendants were named, most of whom were merely volunteer members on the board of directors. It is prohibitively expensive for these communities to defend themselves in court, and there is virtually no insurance coverage available against such suits. That's obviously not fair.

People who live in adult communities need some reassurance that they can live their lives in peace and quiet, as the supporters of the 1988 Fair Housing Act promised. That hasn't been the case up to now, and it's time to follow through on our promise to seniors who want to live in adult settings.

I would like to say that passage of this amendment alone will provide for that, but in all honesty it would not. By requiring the Secretary of Health and Human Services to define "significant facilities," it is a step in the right direction, but only a step. Other measures—such as determining what significant facilities, if present, merit exemption, or some other precertification procedure—should be investigated.

No hearings have been held on these points since the passage of the Fair Housing Act, and I believe the time has come to take a close look at what has become a serious problem in many parts of the country. I call on the distinguished chairman of the Judiciary Civil and Constitutional Rights Subcommittee to consider holding a hearing on this important matter, either in the remaining days of the 102d Congress, or early next year.

Mr. Chairman, I urge all Members to support the Stearns amendment, which is a step in the right direction, but again, only a step.

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Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Chairman, I rise in support of the bill. I would also like to call special attention to title VI, housing for elderly persons, handicapped persons, and persons with disabilities, as it would give public housing agencies the flexibility to implement policies that will provide all residents more livable conditions than exist today. This section gives our Nation's seniors, handicapped, disabled individuals, and other eligible groups better access to appropriate public housing and needed services.

Too many seniors are afraid to live in high rises originally built for senior citizens. Changing situations in the 1980's opened senior high rises up to other groups including mentally ill and handicapped occupants. A problem arises when neither HUD nor the cities have the ability to provide the services and staffing needed by such a mixed population. My district, Minneapolis, has been plagued with a variety of serious problems in these buildings including a few homicides. Because of these problems there has been a rapid decline in the senior populations of its high-rise buildings. Currently, only 46 percent of the public housing tenants in Minneapolis are elderly, over 62, and of the 1,216 high-rise applications currently in progress, just 7 percent are elderly. Clearly, this mixture of senior citizens and handicapped/disabled persons poses serious problems and these problems become more serious as the senior population gets older. Further, handicapped and disabled people are being housed with no thought given to their unique needs.

In spite of this crisis, HUD has refused to allow any efforts to draw distinctions among public housing residents, with one exception. HUD has permitted or encouraged an exception that isolates families with children from all other populations. HUD takes the position that Federal law forbids either elderly only projects or special needs facilities in public housing. Rather HUD takes the position that Federal law requires the mixing of elderly and nonelderly public housing populations. Yet, every civil rights law, including the Fair Housing Act, permits age-distinct housing.

The provision we are discussing in this bill would improve the lives of all people eligible to live in these homes. It solves the problems of mixed populations by letting local authorities offer increased choices for all eligible residents and applicants. Public housing authorities should be able to tailor their available housing to the needs of their local populations. HUD should provide general and technical guidance, but must allow the local authorities flexibility to provide housing to all eligible groups while protecting their rights.

In order to meet the diverse housing needs across the country, local authorities must be able to offer age-distinct housing as an option. It has been shown that age-distinct housing offers a number of benefits. It only makes sense that people with unique needs or requirements be given the option to live together.

I want to emphasize that this change would provide a range of living options to all eligible residents, and would not displace anyone or force people to move against their will. Residents meeting the terms of their lease will have the right to stay where they are. The provision would not change that. It will, however, give all residents, current and future, the opportunity to select housing more appropriate to their needs.

Mr. Chairman, title VI is the beginning of a solution to a very distressing problem. I urge my colleagues to support H.R. 5334.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. HOAGLAND] for a colloquy.

Mr. HOAGLAND. Mr. Chairman, one of the most unsettling problems we have in public housing today is caused by combining elderly, handicapped and disabled residents in the same building.

Now, we attempt to address that problem in this legislation, but it is

important to the greatest extent possible to give the elderly their own buildings, and it is important to the greatest extent possible to give building management and project owners the discretion, as much discretion as possible in deciding who should live in these residences.

In that connection, Mr. Chairman, I would like to ask about the meaning of a sentence which appears on the top of page 141 of the committee report, and that sentence states:

The Committee does not intend that the 10 percent reserve be considered a ceiling, should the waiting list reflect a greater need or should the owner be able to provide appropriate housing with supportive services to a greater number of persons or families with disabilities or handicaps.

Mr. Chairman, does this language require a project owner to exceed the project's reserve requirement in those circumstances, or is the decision whether to exceed the reserve solely in the discretion of the project owner?

Mr. GONZALEZ. It is permissive, and the decision whether to exceed the reserve requirements is solely in the discretion of the owner.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I rise in strong support of this amendment, especially in light of the remarks of my colleague, the gentleman from Florida [Mr. SHAW] with reference to the definition of significant facilities in elderly housing.

Mr. WYLIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I will make a part of the RECORD the clarification of my amendment on housing for older persons, and I thank my colleagues from Florida for their accommodation on my amendment.

Mr. Chairman, I rise to thank Chairman GONZALEZ and Mr. WYLIE, our ranking member on the Banking Committee, for accepting my amendment regarding the Fair Housing Amendments Act.

Currently, under provisions of the Fair Housing Amendments Act, older Americans are supposed to have the right to live in seniors facilities without fear of violating age discrimination statutes. This exemption was designed to recognize the special needs of our older citizens and is truly in keeping with the spirit of the law.

In practice, however, this exemption has failed to work effectively because of the vague nature of the "significant facilities and services" requirement. Members from both sides of the aisle have expressed interest in addressing this vital issue. I have worked closely with my colleagues from Florida, Mr. SHAW and Mr. BACCHUS, to develop language to address this issue. The Judiciary Committee maintains primary jurisdiction in this area, but Representative DON EDWARDS has accommodated my concerns regarding this legislation. I am pleased to bring this amendment to the floor with his cooperation.

In my district there are numerous retirement apartment and condominium complexes facing lawsuits over their compliance with the Fair Housing Act. The problem is that HUD has not spelled out for these communities exactly what they need to do to comply with the law. My amendment will force HUD to cut the redtape and tell these people exactly what is expected of them.

I believe every American should have equal opportunity and equal rights for housing. But Congress has recognized that older Americans have special needs and included an exemption under the law for facilities that serve older Americans on a virtually exclusive basis. These communities provide seniors with quiet surroundings, crime and traffic-free neighborhoods and a social structure targeted toward their needs.

Older Americans who wish to live in peaceful, safe communities should not have to spend years in court to preserve their right to do so. My amendment will force HUD to define what the significant facilities and services requirement, so that the people in these communities can meet the requirements and get on with their lives.

Once again, I thank Chairman GONZALEZ and Mr. WYLIE for their assistance in developing this amendment and including it in the en bloc amendment. I yield back the balance of my time.

Mr. WYLIE. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I rise in strong support of the legislation and this amendment.

I want to thank the gentleman from Texas [Mr. GONZALEZ], the committee chairman, and my friend and colleague, the gentleman from Ohio [Mr. WYLIE] for the inclusion in this set of technical amendments language that I think will help us set up in the next Congress a meaningful and nontraditional way of trying to go about to address the social and economic problems in the inner city areas.

A year and a half ago our colleague, the gentleman from New York [Mr. FLAKE] and I developed some legislation entitled the Bank Enterprise Act, which looked to help the inner cities find a new source of revenue, a new source of capital, a new source of economic development.

What we designed was a means of using community reinvestment dollars to set up community development corporations and community development banks. We needed some technical language to promote that, to get the FDIC to draft it as we prepare for next year in an appropriations battle.

I want to thank these gentlemen for including it in their technical amendments.

On a personal note, since it is the last opportunity we have to speak on a housing authorization bill, I think it is appropriate for me to say to my good friend, the gentleman from Ohio [Mr. WYLIE], whom I admire and respect a great deal, that during the past several years with the gentleman from Ohio working on these issues dealing with housing and economic development, it has been a pleasure to work with the gentleman from Ohio, because he has been responsive and accessible to not only our side of the aisle, but I think to his friends on the other side of the aisle. He has helped us look for new and different ways to attack the problems of housing and social and economic development, and I just want to tell my friend how much I have enjoyed my friendship and relationship with him and wish him well.

I want to say thank you to my friend, the gentleman from Ohio [Mr. WYLIE].

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in support of the en bloc amendments and the Housing and Community Development Act. This is a piece of legislation that addresses one of the most troubling problems facing residents of public and federally assisted housing, the problem of mixed population housing.

Last summer, in New Haven, CT, an elderly public housing resident was killed in her apartment by a nonelderly resident. This painful tragedy created a reaction of fear and resentment among the elderly population not only in Crawford Manor, where this incident took place, but throughout the city. I held an informal hearing in New Haven to discuss this issue, and learned that the problem was widespread—affecting communities throughout Connecticut and the Nation.

I commend Chairman GONZALEZ and the gentleman from Wisconsin [Mr. KLECZKA], who authored the mixed housing amendment, for finding a fair and effective method of dealing with this complex issue. The mixed housing provisions of this bill will give public housing authorities and owners of federally assisted housing the tools necessary to protect our elderly populations without compromising the availability and quality of housing for nonelderly disabled residents.

We must ensure that public and federally assisted housing is safe for all residents. This legislation will begin the process of restoring the critical sense of comfort that all residents are entitled to.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Chairman, as a member of the committee and having worked very hard on this bill, I want to commend the chairman and the ranking minority member. I rise in support of the bill.

Mr. Chairman, I laud Chairman GONZALEZ, my colleagues on the Banking, Finance and Urban Affairs Committee, and the staff of the Housing and Community Development Subcommittee for developing a housing bill that is

sensitive to the housing needs faced by our Nation's urban and rural low income, elderly, first-time home buyers, and homeless populations. In addition to enhancing existing programs, innovative and socially redeeming new programs, such as the HOPE for Youth: YouthBuild Program have been authorized.

Programs such as YouthBuild achieve two purposes—the creation of new affordable housing to meet the shelter needs of the low-income and the homeless, and the engagement of local disadvantaged youth in meaningful employment through the construction of such housing. Not only will these youths be acquiring valuable skills and training, but they will also have the opportunity to engage in socially redeeming work in their own communities. Such programs, where the disadvantaged see the fruits of their own labor benefit their communities, can instill values and a sense of accomplishment that will assist them throughout their lives.

During subcommittee mark up I successfully introduced an amendment that ensures that low and very low income persons are employed in local construction projects that receive HUD funds. This amendment, like the YouthBuild Program, ensures that local, disadvantaged individuals are extended the opportunity to participate in constructive work experience, while acquiring new and marketable skills.

Contracts awarded for work performed in connection with a housing rehabilitation, housing construction, or other public construction project are given to business concerns that provide economic opportunities for low and very low income persons residing the area where the assistance is expended.

First-time homebuyers, too, will benefit from this bill, through changes to the Federal Housing Administration's [FHA] home loan program. The FHA's maximum limit for insuring single-family home loans has been raised to ease the burden of purchasing homes in areas of the nation burdened with higher costs of housing—areas that do not preclude smaller cities like my own, Baltimore. First time homebuyers will also benefit by increases in the FHA's limit on closing that may be financed.

Through my efforts, improvements in the Nehemiah Housing Opportunity Grants Program were accomplished. Specifically, changes were implemented in the resale provisions affecting this program, which has been implemented in over 45 cities across the country.

The Community Development Block Grant Program, funded through the housing authorization, serves as a cornerstone of neighborhood revitalization and development in our nation's cities and towns. The flexibility of this invaluable program allows communities to develop their own innovative solutions to the specific needs they face. This program, and in turn our commitment to community development, demands our support, especially as our Nation continues to be mired in deep recession.

The McKinney provisions—provisions that are vital to sustaining the programs that address the needs of America's homeless—are a significant component of the housing authorization. These provisions have been expanded to include new approaches to the problems of the homeless, through efforts such as the Shelter Plus Care and the Safe Havens Programs. The continuance of existing programs are also ensured by this bill.

Rural homelessness, too, is addressed through the McKinney provisions. Specifically, rural homeless assistance grants will provide assistance in the form of rent or mortgage assistance, short-term emergency lodging, funds for home repairs and rehabilitation, and other supportive services.

The McKinney provisions also make it possible for the homeless to engage in paid employment—by requiring organizations receiving McKinney funds to hire homeless persons to conduct their efforts.

The Housing and Community Development Act continues a trend of increased attention to our Nation's public housing and a reversal of the neglectful patterns established in the 1980's. Housing can no longer receive 0.7 percent of the Nation's budget, as it did in the Reagan era. The funding allocated in the 1992 housing authorization indicates a recognition by this Nation's policy makers of the urgent need to make accessible to all Americans decent and affordable shelter.

Income should not be the sole determinant in an individual's access to housing. Shelter is one of the most fundamental needs we face, and provides individuals with a necessary foundation upon which can be built meaningful participation in society. Without shelter, employment, healthy family lives, community participation, indeed all aspects of constructive interaction in society, cannot be accomplished. Let us today support the Housing and Community Development Act and help improve the welfare of those in our nation seeking affordable and decent housing, be it through first-time homeownership, safe and clean public and subsidized housing, or shelters for the homeless.

Mr. GONZALEZ. Mr. Chairman, I want to close by simply expressing again my profound thanks to all of the Members here who made it possible to forge this compromise legislation.

When the gentleman from Pennsylvania [Mr. RIDGE] spoke earlier, he reminded me that he has been one of the most aggressive and progressive and constructive members of the committee and of the subcommittee.

Part of this en bloc amendment is the contribution of the gentleman from Pennsylvania [Mr. RIDGE] and the gentleman from New York [Mr. FLAKE] in a very important way.

I am also reminded of the gentleman from Ohio [Mr. KASICH] who spoke earlier during the rule consideration, who also has contributed to this en bloc amendment, and very constructively so.

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

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from Texas [Mr. GONZALEZ].

The amendments en bloc were agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCNULTY) having assumed the chair, Mr. HEFNER, 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. 5334) to amend and extend certain laws relating to housing and community development, and for other purposes, pursuant to House Resolution 537, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. STEARNS. Yes, I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. STEARNS moves to recommit the bill (H.R. 5334) to the Committee on Banking, Finance and Urban Affairs, with instructions to report the same back to the House forthwith with the following amendments:

Page 9, strike lines 3 through 6 and insert the following:

"(i) for public housing grants under subsection (a)(2) for Indian housing, $247,312,000;"

Page 135, line 25, strike "$100,000,000" and insert "$249,370,000".

Page 136, line 6, strike "$100,000,000" and insert "$249,370,000".

Page 136, line 13, strike "$200,000,000" and insert "$498,740,000".

Mr. STEARNS (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

□ 1420

Mr. STEARNS. Mr. Speaker, I would like to rise today to raise the concerns of many Members from my side of the aisle regarding this legislation.

While there are many important housing programs in this bill, I must express my concern that we are moving away from some of the principles that made the National Affordable Housing Act of 1990 such a landmark piece of legislation.

In particular, this legislation has limited the authorization for Secretary of Housing and Urban Development's Jack Kemp's innovative HOPE Program to $400 million. This initiative is designed to make the dream of home ownership a reality for those poor Americans who take on this challenge and responsibility. The HOPE Program has existed for only 2 years, and we have yet to provide adequate funding for its implementation.

Mr. Speaker, I ask all my colleagues to read the dissenting opinion by the Secretary in the piece of legislation.

Mr. Speaker, HOPE is new, it's a bold approach to our Nation's housing problems. I know it's easier to continue programs that already exist than to make new ideas a reality, but we cannot abandon those less fortunate Americans who dream someday of owning their own home.

This authorization sends a message that the HOPE Program is on its way out. The hopes and dreams it has fanned will be extinguished and it will be back to business as usual. I hope that the final version of this bill will not send this massage.

At the conclusion of debate, I will be offering a motion to recommit this bill to increase the level of funding for HOPE. I hope this step backward can be corrected, and the good things in this bill can be preserved.

I congratulate the gentleman from Texas, Chairman GONZALEZ and, of course, my ranking member, the gentleman from Ohio [Mr. WYLIE]—whom we will all miss—and the gentlewoman from New Jersey [Mrs. ROUKEMA], on bringing this legislation to the floor.

Mr. Speaker, this motion incorporates two of the five amendments Mr. WYLIE filed on behalf of the administration. Increase HOPE funding with an offsetting adjustment from funding non-Indian public housing.

This motion to recommit would, therefore, increase the HOPE funding from the $400 million authorized in the reported bill, to $997 million, which is close to the President's request of $1 billion. In order to maintain the aggregate funding level of $28.8 billion, recognizing the Wylie 4 percent reduction included in the en bloc amendment, an offsetting adjustment of $597 million is made from funding for non-Indian public housing.

I tell all my colleagues, particularly on my side of the aisle, now is the time to vote for this motion to recommit, to send a message out to America that we need to have HOPE as a part of this program and a part of the American dream.

Mr. GONZALEZ. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER pro tempore. (Mr. MCNULTY). The gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise in strong opposition to the motion. The fact is that the HOPE programs are currently in this bill being authorized. The effort in our bill to increase the supply of affordable housing for the very-low-income and to improve the lives of those in public housing is exactly shaped in such a form as to give room to live, unlike the appropriation bill last week for the HOPE Program.

We are those who partook in the formation and adoption of the HOPE Program in the 1990 act. So we would not have any reason at this time to try to eliminate it.

However, it is still a relatively untried program—it is less than 2 years old—other than some technical assistance and capacity-building tryouts. So we think the level of authorization, in view of the fact that the Appropriation Committee totally blocked it out, keeps the program alive and then we simply have to work on the appropriating process.

What has happened here is that the Secretary of HUD has become very, very angry because he has not received the appropriated funds level that he has been seeking. We cannot help that. I do not think that should then be taken out on our substantive, or our authorization bill here.

So I would strongly urge a "no" vote on this motion.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. STEARNS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage. So this vote may be followed by a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 147, nays 277, not voting 10, as follows:

[Roll No. 365]

YEAS—147

Allard	Grandy	Nussle
Allen	Gunderson	Oxley
Archer	Hall (TX)	Packard
Armey	Hancock	Paxon
Baker	Hansen	Penny
Ballenger	Hastert	Petri
Barton	Hefley	Porter
Bateman	Henry	Pursell
Bentley	Herger	Quillen
Bilirakis	Hobson	Ramstad
Billey	Holloway	Ravenel
Boehlert	Hopkins	Ray
Boehner	Horton	Regula
Broomfield	Houghton	Rhodes
Bunning	Hunter	Riggs
Burton	Hutto	Rinaldo
Callahan	Inhofe	Ritter
Camp	Ireland	Roberts
Campbell (CA)	James	Rogers
Chandler	Johnson (CT)	Rohrabacher
Clinger	Johnson (TX)	Roth
Coble	Kasich	Santorum
Coleman (MO)	Klug	Saxton
Combest	Kolbe	Schaefer
Coughlin	Kyl	Schiff
Cox (CA)	Lagomarsino	Sensenbrenner
Crane	Lent	Shaw
Cunningham	Lewis (CA)	Shays
Dannemeyer	Lewis (FL)	Shuster
Davis	Lightfoot	Smith (NJ)
DeLay	Lipinski	Smith (OR)
Doolittle	Livingston	Smith (TX)
Dornan (CA)	Lowery (CA)	Solomon
Dreier	Machtley	Spence
Edwards (OK)	Marlenee	Stearns
Emerson	Martin	Stump
Ewing	McCandless	Sundquist
Fawell	McCollum	Thomas (CA)
Fields	McCrery	Upton
Franks (CT)	McDade	Vander Jagt
Gallegly	McEwen	Vucanovich
Gallo	McMillan (NC)	Walker
Gekas	Meyers	Weber
Gilchrest	Michel	Weldon
Gillmor	Miller (OH)	Wolf
Gingrich	Miller (WA)	Wylie
Goodling	Molinari	Young (AK)
Goss	Moorhead	Zeliff
Gradison	Nichols	Zimmer

NAYS—277

Abercrombie	Coleman (TX)	Ford (MI)
Ackerman	Collins (IL)	Frank (MA)
Alexander	Collins (MI)	Frost
Anderson	Condit	Gaydos
Andrews (ME)	Cooper	Gejdenson
Andrews (NJ)	Costello	Gephardt
Andrews (TX)	Cox (IL)	Geren
Annunzio	Coyne	Gibbons
Anthony	Cramer	Gilman
Applegate	Darden	Glickman
Aspin	de la Garza	Gonzalez
Atkins	DeFazio	Gordon
AuCoin	DeLauro	Green
Bacchus	Dellums	Guarini
Barrett	Derrick	Hall (OH)
Beilenson	Dicks	Hamilton
Bennett	Dingell	Hammerschmidt
Bereuter	Dixon	Harris
Berman	Donnelly	Hayes (IL)
Bevill	Dooley	Hayes (LA)
Bilbray	Dorgan (ND)	Hefner
Blackwell	Downey	Hertel
Bonior	Duncan	Hoagland
Borski	Durbin	Hochbrueckner
Boucher	Dwyer	Horn
Boxer	Dymally	Hoyer
Brewster	Early	Hubbard
Brooks	Eckart	Huckaby
Browder	Edwards (CA)	Hughes
Brown	Edwards (TX)	Hyde
Bruce	Engel	Jacobs
Bryant	English	Jefferson
Bustamante	Erdreich	Jenkins
Byron	Espy	Johnson (SD)
Campbell (CO)	Evans	Johnston
Cardin	Fascell	Jones (NC)
Carper	Fazio	Jontz
Carr	Feighan	Kanjorski
Chapman	Fish	Kaptur
Clay	Flake	Kennedy
Clement	Foglietta	Kennelly

Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Miume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Reed
Richardson
Ridge
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Towns
Traficant
Unsoeld
Valentine
Vento
Visclosky
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (FL)

NOT VOTING—10

Barnard
Conyers
Dickinson
Ford (TN)
Hatcher
Jones (GA)
Schulze
Torricelli
Traxler
Volkmer

□ 1444

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Members are reminded that in accordance with the Chair's prior announcement, this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 369, nays, 54, not voting 11, as follows:

[Roll No. 366]

YEAS—369

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barrett
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Jacobs
James
Jefferson
Jenkins
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Towns
Traficant
Unsoeld
Vento
Visclosky
Upton
Valentine
Vander Jagt
Vento
Visclosky
Vucanovich
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—54

Allard
Allen
Archer
Armey
Barton
Burton
Campbell (CA)
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Fields
Goss
Hancock
Hansen
Henry
Hopkins
Hunter
Ireland
Johnson (CT)
Kyl
Lewis (CA)
Lipinski
Marlenee
McCollum
McEwen
Miller (OH)
Miller (WA)
Moorhead
Nichols
Packard
Penny
Petri
Pursell
Rhodes
Roberts
Rohrabacher
Roth
Schaefer
Sensenbrenner
Shuster
Smith (OR)
Solomon
Stearns
Stump
Taylor (NC)
Walker
Zeliff
Zimmer

NOT VOTING—11

Barnard
Browder
Conyers
Dickinson
Fish
Ford (TN)
Hatcher
Schulze
Torricelli
Traxler
Volkmer

□ 1453

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO OFFER AMENDMENT TO H.R. 4996, JOBS THROUGH EXPORTS ACT OF 1992, NOTWITHSTANDING REQUIREMENT CONTAINED IN HOUSE RESOLUTION 489, AND TO LIMIT TIME ON ALL AMENDMENTS

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that, notwithstanding the preprinting requirement contained in House Resolution 489, the gentleman from California [Mr. DYMALLY] be permitted to offer an amendment to H.R. 4996, the Jobs Through Exports Act of 1992, and that the time on all amendments be limited to 1½ hours as a result of an agreement with

the gentleman from Wisconsin [Mr. ROTH].

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

Mr. ROTH. Mr. Speaker, reserving the right to object, I think it is a reasonable request, and it is fair to all the Members who have amendments on this bill. So I think that we should agree to the time limit.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. The Chair understands the request that debate on the bill and all amendments thereto be limited to 1½ hours.

Is there objection to the request of the gentleman from Connecticut?

There was no objection.

JOBS THROUGH EXPORTS ACT OF 1992

The SPEAKER pro tempore. Pursuant to House Resolution 489 and rule XXIII, 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. 4996.

□ 1456

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. 4996) to extend the authorities of the Overseas Private Investment Corporation, and for other purposes, with Mr. KANJORSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 17, 1992, title I was open for amendment at any point and pending was the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

Pursuant to the rule, no amendments to the Committee amendment in the nature of a substitute are in order other than the following:

First, pro forma amendments for purposes of debate;

Second, the amendment printed in House Report 102-575, to be offered by the gentleman from Nebraska [Mr. BEREUTER] or his designee;

Third, the amendment to be offered by the gentleman from California [Mr. DYMALLY] made in order by the House today;

Fourth, and those amendments printed in the CONGRESSIONAL RECORD prior to June 18, 1992.

Is there further debate on the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

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

H.R. 4996, the Jobs Through Exports Act of 1992, will not only increase the size and improve the effectiveness of U.S. export promotion programs, but it will create jobs here at home.

The purpose of this bill is to offer a more level playing field for U.S. exporters as they try to market their products and services overseas. The bill reauthorizes both the Overseas Private Investment Corporation, or OPIC, and the Trade and Development Program. This legislation will also significantly enhance the ability of the U.S. Government to carry out feasibility studies for capital projects using U.S. exports and services. In addition, the bill will create a partnership between the public and private sectors to identify and aggressively pursue strategic export markets. I estimate that this bill will generate at least 120,000 jobs each year.

Let me now proceed with my technical amendment.

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

Mr. GEJDENSON. I yield to the gentleman from Wisconsin.

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Mr. ROTH. Mr. Chairman, I thank the gentleman from Connecticut [Mr. GEJDENSON] for yielding to me.

Mr. Speaker, it has been several weeks since the House last considered this bill, so let me remind my colleagues that this is truly a bipartisan measure. It creates jobs by increasing American exports. It helps American companies better compete in world markets, and it establishes the first buy-America requirement for foreign aid.

It helps our country deal with the new reality that economic competition is now our biggest threat. That is why the leadership of America's business community has lined up solidly behind this bill: The Chamber of Commerce, the National Association of Manufacturers, the National Foreign Trade Council, the Bankers Association for Foreign Trade, and the Coalition for Employment Through Exports.

Today we have a number of amendments. Some of these will improve the bill, but others I think are very damaging. I ask my colleagues to consider each amendment carefully. Our goal is to produce a bill that the other body will agree to and that the President can sign. If we can do that, we can create new jobs for the American people and strengthen our economy. Let us march toward that goal.

Mr. LEVIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Michigan.

Mr. LEVIN of Michigan. Mr. Chairman, I rise in strong support of H.R. 4996, the Jobs Through Exports Act.

Few trade policy issues generate the type of broad consensus that exists on the importance of exports: American businesses and workers can't compete unless they sell their products as aggressively in Jakarta as they do in Peoria.

But despite the emergence of a strong export mentality in the private sector, the U.S. Government has lagged dangerously behind our trading partners in export promotion.

It's time to stop paying lipservice to the needs of our businesses and workers and start paying attention to the realities of the world market place. It's time to craft an export policy based on the mutual trust and mutual goals of business and Government.

This bipartisan measure takes an important step toward forging that kind of partnership. The OPIC Program has been paying dividends to American businesses investing abroad for two decades. And I commend Chairman GEJDENSON for including the Trade and Development Agency and Office of Capital Projects in this bill, which is one of a series of House leadership-backed measures designed to foster economic growth, increase trade, and create American jobs.

I also would like to thank him for including the U.S. Commercial Centers Program in H.R. 4996. This program signals a new direction in U.S. exports policy—a crystallization of the feeling that our Government's mission abroad must be shaped by trade and economics as much as diplomacy.

For too long, export promotion has been given back-room storage space at American Embassies around the world. The Commercial Centers Program elevates export promotion to the level of diplomacy and creates separate facilities abroad where Government will give American businesses the first-stage assistance they need to pursue export opportunities in foreign markets.

I originally introduced the Commercial Centers concept as separate legislation. The response—bipartisan sponsorship by more than 70 House colleagues—demonstrated the widespread feeling that Government and businesses must build a partnership when it comes to exporting—a partnership far beyond the limited programs that currently exist. Private businesses must be willing to make the investment, but our own Government must become an advance team for American businesses abroad.

In addition to Chairman GEJDENSON, I'd like to thank Majority Leader GEPHARDT and Congressman ROTH and MCGRATH for their strong support of U.S. Commercial Centers.

The concept is simple. We will create separate export facilities—called commercial centers—in key cities in important markets: One in either the Baltics or the former Soviet Republics; one in Asia and one in Latin America.

The centers will provide visiting American business representatives with language and clerical services and telecommunications facilities, as well as temporary office and meeting space. Center personnel will provide information about the host country's industries, economy, and markets—and a list of contacts in each industrial area.

For small- and medium-sized American businesses, the centers will be an oasis in an unfamiliar environment.

I was struck with the need for such a Government-industry partnership when I visited the teeming markets of Southeast Asia in 1989. Everywhere we went, American exporters told the same story. America is losing ground, they said, and unless something changes we will fall irreversibly behind within 5 years.

Their fears have proven true in a shorter period than that. As Japan and other Asian nations invest heavily in Thailand, Malaysia, Singapore, and Indonesia, Americans fall further and further behind. A recent series of articles in the Washington Post highlighted both the economic growth of these markets, as well as their potential importance to American industries.

Too content to stick with old ways designed for a different era, our own Government's effort has lagged. In Indonesia, a nation of 180 million people, we have slots for only 4 Foreign Commercial Service officers, and have filled only 3 of them. In Malaysia, we have posted only 3 FCS officers.

The truth is, our export effort has fallen short of what our businesses need around the world.

After the fall of communism in Eastern Europe, my office asked American companies whether they were ready to do business in Poland and Czechoslovakia, and they said no. We asked whether our Government was helping, and they said no.

We heard the same thing when the Baltic Nations tasted freedom late last summer. At the time, a Michigan food distributor wanted to sell food in the Soviet Union, but didn't know how. He received a busy signal at the one phone number the U.S. Government provided.

We asked businesses what they needed, and in bits and pieces it added up to a commercial center.

Our nations, aware of the importance of separating trade and exports from diplomacy, have established similar programs. In Japan, the Canadians have turned a significant portion of their brandnew Embassy into a showcase for their businesses. Canadian firms can set up meetings in spacious offices or rent space for business dinners that give them the advantage of meeting clients in familiar, intimate settings.

The Canadian Government has set up a sophisticated computer network listing businesses according to their specialities; when a need arises for a particular export, the Government matches the need with particular businesses—and it works. More than 100,000 Japanese citizens have come through the Embassy for the exclusive purpose of conducting business with Canadians. Twenty commercial officers staff the Canadian Embassy. It is a true partnership between business and government.

It is time to create such a partnership in the United States, starting with commercial centers. Ultimately, this partnership must extend beyond this pilot program—the foundation of a commitment of not just money—but of time and effort.

The CHAIRMAN: The time of the gentleman from Connecticut [Mr. GEJDENSON] has expired.

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

Mr. GEJDENSON. Mr. Chairman, I ask for Members' support for the technical amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title 1?

Mr. GEJDENSON. Mr. Chairman, I ask unanimous consent that we take the amendment to be offered by the gentleman from California [Mr. DYMALLY], the amendment to be offered by the gentleman from Nebraska [Mr. BEREUTER], and the amendment to be offered by the gentleman from West Virginia [Mr. WISE] in that order, because they are noncontroversial amendments. I think both sides are going to accept them, so we can have as much time as we need for the other amendments.

Mr. Chairman, I ask unanimous consent to take these three amendments out of order.

The CHAIRMAN. The gentleman asks that those amendments be offered in that order, even though we have not read the title numbers?

Mr. GEJDENSON. Yes, Mr. Chairman.

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

There was no objection.

AMENDMENT OFFERED BY MR. DYMALLY

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

The Clerk read as follows:

Amendment offered by Mr. DYMALLY: Page 70, lines 4 and 5, strike "and in one country in Latin America" and insert "in one country in Latin America, and in one country in Africa".

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

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

Mr. GEJDENSON. Mr. Chairman, the gentleman has an excellent amendment, and we certainly support it.

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

Mr. DYMALLY. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, we on this side certainly support this amendment also. This amendment authorizes an additional United States commercial center to be located in Africa. The bill already authorizes centers in CIS, the Baltics, Asia, Latin America, so this amendment is in keeping with the intent of the bill. We must help our U.S. companies be competitive.

Mr. Chairman, I compliment the gentleman from California [Mr. DYMALLY] for his good amendment.

Mr. DYMALLY. Mr. Chairman, I am ahead, and I shall quit. Let me take this opportunity to thank the chairman and the minority member, the gentleman from Wisconsin [Mr. ROTH], for seeking unanimous consent for me to offer this amendment. I thank them for their support.

Mr. Chairman, I am offering an amendment to title IV—the section establishing U.S. commercial centers. The amendment adds one country in Africa as the site for a commercial center and provides the funding for this addition.

Let me say at the onset that I am supportive of H.R. 4996. Creating new American business ties throughout the world is a concept I have always espoused. Having said that, I find that Africa's not being included with Eastern Europe, Latin America, and Asia as a potential frontier for expanded business opportunities was troubling to me.

One of my principal goals during my tenure as chairman of the Subcommittee on Africa has been to increase ties between African-American businessmen and women and the African business sector. I recognize, however, the importance of promoting trade and investment in the whole of Africa—whether it be with United States corporations or small businesses.

I have tried to stimulate interest in Africa during my chairmanship and have received much criticism from some foreign policy advocates who do not see the correlation between promoting business and advancing our foreign policy objectives. What they do not realize is how closely they are intertwined. Until Africa has an opportunity to advance economically and utilize its tremendous resources and talent, the continent will continue to be ravaged by poverty, hunger, and conflict.

To help promote business ties between the United States and Africa, I have attempted to do several things. I recently sponsored, together with the Congressional Research Service, a United States-North African trade conference. Ministers of commerce from five countries met with representatives of a cross-section of American business to share information and make plans for bridging the existing gap between us. In the fall, I am planning another conference in north Africa to continue this exchange. I also have recently introduced a measure on southern Africa designed to foster conditions that will encourage the United States business community to engage in trade and investment.

There are only 2 companies listed in the world trade top 100 trading companies which have dealings in northern Africa. We have to do better than that if we ever expect these countries to become self-sufficient.

I have talked to Mr. GEJDENSON, Mr. ROTH, and Mr. LEVIN about my amendments and they have given me their support. I urge all of my colleagues to give Africa the same chance that other regions of the world are getting.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DYMALLY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment made in order by the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BEREUTER: At the end of the bill (page 78, after line 12), add the following:

TITLE VI—ENTERPRISE FOR THE AMERICAS INITIATIVE

SEC. 601. SHORT TITLE.

This title may be cited as the "Enterprise for the Americans Act of 1992".

SEC. 602. PURPOSE.

The purpose of this title is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with inter-related actions to promote debt reduction, investment reforms, community based conservation, and sustainable use of the environment, and child survival and child development. The Facility will support these objectives through administration of debt reduction operations under this title for those countries with democratically elected governments that meet investment reforms and other policy conditions.

SEC. 603. DEFINITIONS.

For purposes of this title—

(1) the term "administering body" means the entity provided for in section 609(c);

(2) the term "Americas Framework Agreement" means the agreement provided for in section 609;

(3) the term "Americas Fund" means an Enterprise for the Americas Fund provided for in section 608(a);

(4) the term "appropriate congressional committees" means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate;

(5) the term "beneficiary country" means an eligible country with respect to which the authority of section 605(a)(1) is exercised;

(6) the term "eligible country" means a country designated by the President in accordance with section 604;

(7) the term "Enterprise for the Americas Board" or "Board" means the board established by section 610 of Agricultural Trade Development and Assistance Act of 1954 (as amended by section 610(b) of this title); and

(8) the term 'Facility' means the Enterprise for the Americas Facility established in the Department of the Treasury by section 601 of that Act.

SEC. 604. ELIGIBILITY FOR BENEFITS.

(a) REQUIREMENTS.—To be eligible for benefits from the Facility under this title, a country must be a Latin American or Caribbean country—

(1) whose government is democratically elected;

(2) whose government has not repeatedly provided support for acts of international terrorism;

(3) whose government cooperates on international narcotics control matters;

(4) whose government (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights;

(5) that has in effect, has received approval for, or, as appropriate in exceptional circumstances, is making significant progress toward—

(A) an International Monetary Fund standby arrangement, extended Fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, a Fund monitored program or its equivalent, unless the President determines (after consultation with the Enterprise for the Americas Board) that such an arrangement or program (or its equivalent) could reasonably be expected to have significant adverse social or environmental effects; and

(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association, unless the President determines (after consultation with the Enterprise for the Americas Board) that the resulting adjustment requirements could reasonably be expected to have significant adverse social or environmental effects;

(6) has put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise is implementing, or is making significant progress toward, an open investment regime; and

(7) if appropriate, has agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

(b) ELIGIBILITY DETERMINATIONS.—Consistent with subsection (a), the President shall determine whether a country is eligible to receive benefits under this title. The President shall notify the appropriate congressional committees of his intention to designate a country as an eligible country at least 15 days in advance of any formal determination.

SEC. 605. REDUCTION OF CERTAIN DEBT.

(a) AUTHORITY TO REDUCE DEBT.—

(1) AUTHORITY.—The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1991, as a result of concessional loans made to an eligible country by the United States under part I of the Foreign Assistance Act of 1961 (or predecessor foreign economic assistance legislation).

(2) APPROPRIATIONS ACT REQUIREMENT.—The authority of this section may be exercised only in such amounts or to such extent as is specifically provided in advance by appropriations Acts.

(3) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(b) IMPLEMENTATION OF DEBT REDUCTION.—

(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations outstanding as of the date specified in subsection (a)(1).

(2) EXCHANGE OF OBLIGATIONS.—The Facility shall notify the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of the agreement with an eligible country to exchange a new obligation for outstanding obligations pursuant to this subsection. At the direction of the Facility, the old obligations shall be canceled and a new debt obligation for the country shall be established, and the agency primarily responsible for administering part I of that Act shall make an adjustment in its accounts to reflect the debt reduction.

SEC. 606. REPAYMENT OF PRINCIPAL.

(a) CURRENCY OF PAYMENT.—The principal amount of each new obligation issued pursuant to section 605(b) shall be repaid in United States dollars.

(b) DEPOSIT OF PAYMENTS.—Principal repayments of new obligations shall be deposited in the United States Government account established for principal repayments of the obligations for which those obligations were exchanged.

SEC. 607. INTEREST ON NEW OBLIGATIONS.

(a) RATE OF INTEREST.—New obligations issued by a beneficiary country pursuant to section 605(b) shall bear interest at a concessional rate.

(b) CURRENCY OF PAYMENT; DEPOSITS.—

(1) LOCAL CURRENCY.—If the beneficiary country has entered into an Americas Framework Agreement under section 609, interest shall be paid in the local currency of the beneficiary country and deposited in the Americas Fund provided for in section 608(a). Such interest shall be the property of the benefciary country, until such time as it is disbursed pursuant to section 608(d). Such local currencies shall be used for the purposes specified in the Americas Framework Agreement.

(2) UNITED STATES DOLLARS.—If the beneficiary country has not entered into an Americas Framework Agreement under section 609, interest shall be paid in United States dollars and deposited in the United States Government account established for interest payments of the obligations for which the new obligations were exchanged.

(c) INTEREST ALREADY PAID.—If a beneficiary country enters into an Americas Framework Agreement subsequent to the date on which interest first became due on the newly issued obligation, any interest already paid on such new obligation shall not be redeposited into the Americas Fund established for that country pursuant to section 608(a).

SEC. 608. ESTABLISHMENT OF, DEPOSITS INTO, AND DISBURSEMENTS FROM AN ENTERPRISE FOR THE AMERICAS FUND.

(a) ESTABLISHMENT.—Each beneficiary country that enters into an Americas Framework Agreement under section 609 shall be required to establish an Enterprise for the Americas Fund to receive payments in local currency pursuant to section 607(b)(1).

(b) DEPOSITS.—Local currencies deposited in an Americas Fund shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(c) INVESTMENT.—Deposits made in an Americas Fund shall be invested until disbursed. Any return on such investment may be retained by the Americas Fund, without deposit in the Treasury of the United States and without further appropriation by Congress.

(d) DISBURSEMENTS.—Funds in an Americas Fund shall be disbursed only pursuant to an Americas Framework Agreement under section 609.

SEC. 609. AMERICAS FRAMEWORK AGREEMENTS.

(a) AUTHORITY.—The Secretary of State is authorized, in consultation with other appropriate Government officials, to enter into an Americas Framework Agreement with any eligible country concerning the operation and use of the Americas Fund for that country. In the negotiation of such Agreements, the Secretary shall consult with the Enterprise for the Americas Board in accordance with section 610.

(b) CONTENTS OF AGREEMENTS.—An Americas Framework Agreement with an eligible country shall—

(1) require that country to establish an Americas Fund;

(2) require that country to make interest payments under section 607(b)(1) into an Americas Fund;

(3) require that country to make prompt disbursements from the Americas Fund to the administering body described in subsection (c);

(4) when appropriate, seek to maintain the value of the local currency resources of the Americas Fund in terms of United States dollars;

(5) specify, in accordance with subsection (d), the purposes for which amounts in an Americas Fund may be used; and

(6) contain reasonable provisions for the enforcement of the terms of the agreement.

(c) ADMINISTERING BODY.—

(1) IN GENERAL.—Funds disbursed from the Americas Fund in each beneficiary country shall be administered by a body constituted under the laws of that country.

(2) COMPOSITION.—The administering body shall consist of—

(A) one or more individuals appointed by the United States Government,

(B) one or more individuals appointed by the government of the beneficiary country, and

(C) individuals who represent a broad range of—

(i) environmental nongovernmental organizations of the beneficiary country.

(ii) child survival and child development nongovernmental organizations of the beneficiary country,

(iii) local community development nongovernmental organizations of the beneficiary country, and

(iv) scientific or academic organizations or institutions of the beneficiary country.

"A majority of the members of the administering body shall be individuals described in subparagraph (C).

(3) RESPONSIBILITIES.—The administering body—

(A) shall receive proposals for grant assistance from eligible grant recipients (as determined under subsection (e)) and make grants to eligible grant recipients in accordance with the priorities agreed upon in the Americas Framework Agreement, consistent with subsection (d);

(B) shall be responsible for the management of the program and oversight of grant activities funded from resources of the Americas Fund;

(C) shall be subject, on an annual basis, to an audit of financial statements conducted in accordance with generally accepted auditing standards by an independent auditor;

(D) shall be required to grant to representatives of the United States General Accounting Office such access to books and records associated with operations of the Americas Fund as the Comptroller General of the United States may request;

(E) shall present an annual program for review each year by the Enterprise for the Americas Board; and

(F) shall submit a report each year on the activities that it undertook during the previous year to the Chair of the Enterprise for the Americas Board and to the government of the beneficiary country.

(d) ELIGIBLE ACTIVITIES.—Grants from an Americas Fund shall be used for—

(1) activities that link the conservation and sustainable use of natural resources with local community development; and

(2) child survival and other child development activities.

(e) GRANT RECIPIENTS.—Grants made from an Americas Fund shall be made to—

(1) nongovernmental environmental, conservation, child survival and child development, development, and indigenous peoples organizations of the beneficiary country;

(2) other appropriate local or regional entities; and

(3) in exceptional circumstances, the government of the beneficiary country.

(f) REVIEW OF LARGER GRANTS.—Any grant of more than $100,000 from an Americas Fund shall be subject to veto by the Government of the United States or the government of the beneficiary country.

(g) ELIGIBILITY CRITERIA.—In the event that a country ceases to meet the eligibility requirements set forth in section 604(a), as determined by the President pursuant to section 604(b), then grants from the Americas Fund for that country may only be made to nongovernmental organizations until such time as the President determines that such country meets the eligibility requirements set forth in section 604(a).

SEC. 610. ENTERPRISE FOR THE AMERICAS BOARD.

(a) RESPONSIBILITIES.—For purposes of this title, the Enterprise for the Americas Board shall—

(1) advise the Secretary of State on the negotiations of Americas Framework Agreements pursuant to section 609;

(2) ensure, in consultation with—

(A) the government of the beneficiary country,

(B) nongovernmental organizations of the beneficiary country,

(C) nongovernmental organizations of the region (if appropriate),

(D) environmental, scientific, child survival and child development, and academic leaders of the beneficiary country, and

(E) environmental, scientific, child survival and child development, and academic leaders of the region (as appropriate),

that a suitable administering body is identified for each Americas Fund; and

(3) review the programs, operations, and fiscal audits of each administering body.

(b) AMENDMENTS RELATING TO THE BOARD.—Section 610 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) in the section heading, by striking out "ENVIRONMENT" and inserting in lieu thereof "ENTERPRISE";

(2) in subsection (a), by striking out "Environment" and inserting in lieu thereof "Enterprise"; and

(3) in subsection (b)(1)(B)—

(A) by inserting "child survival and child development," after "environmental,", and

(3) in subsection (b)(1)(B)—

(A) by inserting "child survival and child development," after "environmental,", and

(B) by inserting ", at least one of whom shall be a representative from a child survival and child development organization" after "Caribbean".

SEC. 611. ANNUAL REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than December 31 of each year, the President shall transmit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate a report on the implementation of this title and title VI of the Agricultural Trade Development and Assistance Act of 1954. Such report shall include—

(1) a description of the activities undertaken by the Enterprise for the Americas Facility during the previous fiscal year;

(2) a description of any Americas Framework Agreements entered into under this title and a description of any Environmental Framework Agreement entered into under title VI of the Agricultural Trade Development and Assistance Act of 1954; and

(3) a description of any grants that have been extended by administering bodies pursuant to an Americas Agreement under this title or pursuant to an Environmental Framework Agreement under title VI of that Act.

(b) SUPPLEMENT VIEWS.—Each member of the Enterprise for the Americas Board shall be entitled to receive a copy of the report required by subsection (a) at least 14 days before the report is to be transmitted to the Congress, to have 14 days within which to prepare and submit supplemental views for inclusion in such report, and to have those views included in the report when it is so transmitted.

(c) CONFORMING AMENDMENT.—Section 614 of the Agricultural Trade Development and Assistance Act of 1954 (relating to annual reports to the Congress on the Enterprise for the Americas Facility) is repealed.

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

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

Mr. GEJDENSON. Mr. Chairman, the gentleman has an excellent amendment. The House has passed many of these provisions already. For this side, we support the amendment.

Mr. BEREUTER. Mr. Chairman, during its consideration of the Agriculture appropriations bill on June 30, of this year, the House resoundingly defeated an attempt to cut funding for the food aid debt reduction component of EAI. This first real test of EAI support on the floor illustrates that, even in an unpopular year for foreign aid, a strong bipartisan coalition is willing to support this program. This legislation does not forgive total debt owed by eligible countries. EAI reduces debt owed by eligible countries. They must repay the principle on the debt. Interest payments fund environmental and child health projects in eligible countries.

Mr. KOLBE. Mr. Chairman, does the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding to me. I rise in strong support of the amendment of the gentleman from Nebraska. This is, as he suggested, a very important amendment that does test the strength of the Enterprise for the Americas Initiative. This is one of the most impor-

tant initiatives that this Congress can undertake.

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It is important because if we look around the world we can see that the Americas, Latin America, Central America, Mexico, represent the growth markets for the United States. It represents a great opportunity for us to build on the developing democracies in that part of the world, and for us to build our markets there.

The Enterprise for the Americas Initiative is one that holds great hope for the future of all of the Western Hemisphere. This amendment, as the gentleman from Nebraska has suggested, does not forgive the debt. It simply makes it easier for us to structure that debt. The principal must be repaid, and the debt that is forgiven must be used in projects within that country.

It is an important amendment that deserves the support and consideration of this body, and I hope we will adopt it. I thank the gentleman for yielding.

Mr. BEREUTER. I thank the gentleman for his excellent comments.

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

Mr. BEREUTER. I yield to the gentleman from California for any comments that he might care to make.

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Nebraska. It is particularly appropriate to add this amendment to this bill, a bill extending authority of the Overseas Private Investment Corporation, because the goals of both are so related.

When President Bush announced the Enterprise for the Americas Initiative just about 2 years ago, it produced an unprecedented response from our Latin friends and neighbors. Many of them have told me that they consider this to be a much more important program than almost anything else that we are doing. As we look around Latin America we see again unprecedented amounts of growth and unprecedented amounts of free trade and investment, and we actually see money coming home to some of those countries from overseas, and much of it is in reliance on this kind of attitude by this Congress.

Some time ago the Congress actually passed this legislation in the foreign aid bill. That did not become law. Just this morning the Foreign Affairs Committee of the House again passed this legislation in another act.

I would urge my colleagues to strongly support this amendment.

Mr. Chairman, I rise in strong support of the amendment by the gentleman from Nebraska [Mr. BEREUTER] to add authorization to this OPIC bill for the Enterprise for the Americas. It is particularly appropriate to add this to legislation extending the authority of the Overseas Private Investment Corporation since their goals are so related.

When President Bush announced the Enterprise for the Americas Initiative June 27, 1990—about 2 years ago—it produced an unprecedented response from our Latin friends and neighbors. They responded enthusiastically in support of the proposal. The House passed in October 1990, legislation to authorize the enterprise which I enthusiastically cosponsored. Yet, for whatever reasons, the Congress did not achieve final passage of that legislation which included many of the elements needed to make this a fully successful program.

We must not delay any further. The Enterprise Initiative envisioned the promotion of economic growth through free market principles and increased private investment for the nations of the Western Hemisphere which had badly suffered economic decline through the decade of the eighties. Many referred to it as the lost decade. Even without all the parts of the program in place, in the past 2 years it is apparent that many countries in the region have made dramatic progress in generating economic growth.

Democratic governments committed to structural reform and privatization of State-owned companies have seen remarkable changes in just the past 23 months that confirm they are on the right track. A renewed emphasis on free trade, correcting unproductive barriers to private investment, both domestic and foreign have been undertaken by most governments in the region and the results have been lowered inflation and increased growth.

The Enterprise Initiative is designed to support these efforts which should produce even greater advances. Part of the attraction of the Enterprise Program is the proposal to reduce a country's bilateral official government debt with the United States in exchange for new obligations which the debtor nation can use for projects to protect the environment or to promote child survival and child development.

It is important to recognize that the Enterprise Initiative is not an aid program, but instead a means to encourage and promote those activities that will correct ineffective economic and fiscal policies of the past and that will provide the basis for comprehensive and sustainable economic growth.

A major element of the proposal is to promote free trade in the hemisphere. Since June 1990, the United States has entered into 14 new bilateral trade framework agreements and two multilateral agreements. These are preliminary steps needed to reach the ultimate goal of an actual free trade agreement. These efforts affect a total of 31 countries, and of course the most prominent ongoing negotiation for a free-trade agreement with Mexico, in conjunction with our earlier pact with Canada, will be the key test for the prospects for the other trade agreements.

An additional element of the Enterprise-Initiative is the multilateral investment fund, which has been negotiated among the various nations of the region to establish a $1.3 billion fund that would be used for reform of existing investment regimes in order to promote privatization. Its uses for technical assistance, for human resource development, and for direct equity and loan capital investment would provide the necessary means to make these structural reforms happen. All that is needed now is the appropriations for the U.S. share of $500 million. Other donors have pledged the remaining $800 million, but that amount will not be contributed until the United States has appropriated its share.

Also, it is essential that the United States appropriate for fiscal year 1993 those sums necessary to finance the debt reduction element of the enterprise. Governments in the Western Hemisphere have made impressive reductions in their budget deficits and in their external debt obligations. Our approval of this part of the enterprise would help support even greater progress.

This amendment by Mr. BEREUTER establishes the mechanism to administer the debt-reduction objectives of the enterprise through the facility to be established in the Department of the Treasury and for the elements of each bilateral Americas Framework Agreement necessary to carry out that program. It authorizes but does not, however, appropriate funds to carry out the debt reduction part of the program or the U.S. contribution to the multilateral investment fund.

Not only do I urge my colleagues to support this amendment, but also to support legislation for appropriations for the enterprise when it comes before us. I urge you to vote "yes" on the Bereuter amendment.

Mr. BEREUTER. I thank the gentleman very much for his comments.

A powerful explanation of why this amendment is necessary appeared in a recent edition of the Washington Post, where an article by Colman McCarthy noted that El Salvador's civil war has so devastated that country's forests and ecosystems that its environmental recovery is as crucial as its political revival.

At the suggestion of a local Salvadoran environmental group, the Salvadoran Center for Appropriate Technology, the former warring parties have begun growing a reconciliation forest. The goal is to plant a tree for each soldier killed in the conflict, as well as each journalist and educator. "With this forest," the president of this center, Ricardo Navarro, has told audiences, "we are transforming a death zone into a life zone."

If enacted, my amendment would enable this group to obtain the necessary resources to make this vision a reality. Other indigenous environmental and child health groups in other eligible countries would have similar opportunities thoroughout the hemisphere.

The provisions in this amendment are fully supported by a broad array of environmental groups, including the Nature Conservancy and the World Wildlife Fund, as well as the newly formed group, Friends of EAI, headed by former Senator Howard Baker.

To be eligible for debt relief under this amendment, a country must have a democratically elected government, refrain from sponsoring terrorism, cooperate in the drug war, and respect human rights. In addition, a beneficiary government must have, or be

making significant progress toward, an economic program with the International Monetary Fund or the World Bank.

By easing debt burdens of eligible countries, the Enterprise for the Americas Initiative [EAI] will release resources for capital formation as well as child health and environmental projects in recipient countries. Over the long term, it will expand opportunities for U.S. investors and open markets for U.S. exporters.

Under the EAI framework, eligible countries will be able to increase their purchases of U.S. goods and services as a result of greater exchange availability caused by a reduction in their debt burden.

As important as some of the policy and program provisions are in the bill before us today, they can go only so far in boosting U.S. exports if they are not accompanied by the adoption of longer range policies, including debt relief measures linked to market-oriented reforms and structural adjustments.

I would like to point out to my colleagues that both the House and Senate duly considered and passed all the provisions in my amendment when it was part of the foreign aid bill last year, but for other reasons the conference report was ultimately defeated in October.

With 31 countries of the region signing EAI trade and investment framework agreements, it is vitally important that Congress wait no longer to enact the EAI debt reduction provisions. This initiative will help graduate the recipient countries off the foreign aid dole and build a long-term solution to the region's problems.

In addition to freeing resources that will be spent in part on U.S. exports, the EAI will expand opportunities for U.S. investors, support economic growth, and develop innovative public-private partnerships to promote environmental and health projects in EAI recipient countries.

In fiscal year 1993, EAI debt reduction will eliminate approximately $1 billion in debt for the 10 EAI-eligible countries of the region while generating some $190 million to support enviornmental and child survival nongovernmental organizations.

Through the mechanism of EAI framework agreements, a close partnership between government officials and nongovernmental organizations will oversee the disbursements of funds for activities linking the conservation and sustainable use of natural resources with local community groups and child development activities.

Latin America and the Caribbean represent the fastest growing regional market for U.S. exports. From 1987 through 1990, our exports to the region increased by some $19 billion, with 43 States registering steady increases in their trade with Latin America. Over the past 5 years, our exports there have increased at a faster rate than any other part of the world.

The United States accounts for close to 60 percent of the region's imports from industrialized countries, compared to 29 percent for Europe and 11 percent for Japan. Clearly, this country has the most to gain from stronger economies and more open markets in Latin America and the Caribbean.

Mr. Chairman, a recent paper from a respected Washington think tank estimated that the United States lost some $130 billion in trade opportunities in Latin America between 1982 and 1988, mainly because of the debt crisis.

The economic stagnation and its impact on investment and trade opportunities in many countries of the region will disappear only when the EAI goal of reducing the region's foreign debt is achieved.

The inclusion of the EAI would be a good complement to the programs and policies outlined in the bill—such as the OPIC reauthorization, funding the Trade Development Program and an expanded capital projects office in AID—in that it reduces the debt burden of a number of Latin countries thereby enabling them to purchase more goods and services from this country. As desirable as some of the policy and program changes are in H.R. 4996, they can only go so far in boosting exports if they are not accompanied by other efforts in the host country to reform the economy and reduce debt burdens.

The strong U.S. market share in the region—with our share of manufactured goods now up to some 54 percent of the total—indicates a preference in Latin America and the Caribbean for U.S. goods. The principal constraint in the growth of U.S. exports to the region is the limited purchasing power of Latin Americans and Caribbeans. Economic growth in Latin America and the Caribbean means increased ability to purchase our goods leading to export growth and job creation in the United States.

The large amounts of debt owed by Latin American and Caribbean countries have slowed economic growth and investment in the region. Debt reduction can restore the confidence of domestic and foreign investors and will encourage repatriation of flight capital and renew access to international financial markets.

The debt reduction pillar of the EAI includes an innovative mechanism to support environmental protection and conservation in Latin America and the Caribbean. Each country that benefits from a reduction in its Public Law 480 and/or AID debt can pay the interest on the debt that remains in local currency. These local currency payments can then be used to support grassroots environmental projects.

There is no time to lose in completing congressional action on the EAI if we want to build a long term and mutually beneficial relationship with all nations of the hemisphere—and help ourselves and our exporters in the process. For many years, many Members argued that we should give peace a chance in Central America. Congress has an opportunity to strengthen the conditions that will result in lasting peace and economic growth throughout the hemisphere if we move to fully enact the Enterprise for the Americas Initiative. Now is the time to give EAI a chance.

Mr. Chairman, the full enactment of the Enterprise for the Americas Initiative is one of the top legislative priorities of the administration, and it strongly supports the adoption of this amendment. I include a letter endorsing this initiative from Secretary of State Baker and Secretary of Treasury Brady for the RECORD. I urge my colleagues to vote in favor of this amendment.

The letter referred to follows:

THE SECRETARY OF THE TREASURY,
Washington, June 25, 1992.

Hon. DOUG BEREUTER,
U.S. House of Representatives,
Washington, DC.

DEAR MR. BEREUTER: We want to reaffirm the Administration's strong commitment to the Enterprise for the Americas Initiative (EAI) and to ask for your active support for this program.

The EAI is now an integral part of our relations with Latin America and the Caribbean, having played a key role in the dramatic improvement in hemispheric relations in the two years since its inception. Our neighbors have begun to work enthusiastically with us in a new partnership under the Initiative to improve the prospects for democracy and economic growth throughout the hemisphere.

The potential of increased trade and investment opportunities offered by the EAI has helped build momentum for reform. Framework agreements on trade and investment are in place with all but three countries in Latin America and the Caribbean; regular dialogue under these agreements is facilitating a reduction in barriers to trade. The Inter-American Development Bank has extended loans to support the liberalization of investment regimes in four countries. In anticipation of Congress passing the needed debt reduction and swap authority, ten more countries are discussing similar investment liberalization loans with the Inter-American Development Bank. The United States has reduced the P.L. 480 debt of three countries under the EAI. As a result of this action and a contribution by the Government of Bolivia, the local currency equivalent of $33 million will be generated for grass roots environmental projects over ten years.

The EAI can do much more, however, to advance the reform process and help achieve increased growth and prosperity for our hemisphere.

Implementation of the agreements signed by twenty-one countries to establish the Multilateral Investment Fund (MIF) will be another critical step. This fund is designed to support investment liberalization in Latin America and the Caribbean, which will enable the private sector to play a larger role in promoting growth and development. The MIF will provide targeted support for such

actions as technical assistance to help establish financial markets, worker retraining programs, and increased access to credit for micro-enterprises. The contributions of other governments (including thirteen from Latin America and the Caribbean) and the start-up of this critical fund, however, await Congressional approval of the U.S. contribution.

We also need to proceed with full implementation of the debt reduction proposals advanced under the EAI. By reducing countries' bilateral debt to the United States, we can provide critical incentives to sustain important economic reforms while helping Latin American and Caribbean countries escape the shadow of debt that discourages investors. Particularly for the smaller countries in the region such as Costa Rica, El Salvador, and Jamaica, debt reduction under the EAI would substantially reduce their overall external debt burdens and provide important support for market-oriented economic reforms.

By supporting reform and increased competitiveness, the EAI seeks to help Latin American and Caribbean countries in their struggle to sustain economic growth and ensure that its benefits are felt by all their citizens. Strong and stable economies are essential to democracy and to broad-based, sustainable economic development in this region. Healthy economies will help governments address key human needs such as health, education, and the environment.

The EAI also seeks to build a future that will benefit the United States. The Latin American and Caribbean region is already the fastest growing market for U.S. exports. Furthermore, the U.S. commands a large share of industrial-country exports to the region—57 percent compared to 11 percent for Japan, for instance. Stronger economies in Latin America and the Caribbean will contribute to economic growth and export-related jobs here at home as the potential for trade and investment expands.

Our neighbors are ready to move forward with the EAI. With respect to both the investment and debt elements of the EAI, the ball is now in our court Responding to the steps taken by our neighbors and deepening our partnership with them is top priority of the Administration. But we cannot do this without Congress. We hope we can work with you to gain Congressional approval of the remaining elements of this critical initiative.

Sincerely,

NICHOLAS F. BRADY,
Secretary of the Treasury.

JAMES A. BAKER III,
Secretary of State.

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

This Jobs Through Exports Act is a very important piece of legislation, and this is an important amendment. I do not like to be at odds with my friend from Nebraska, but I am compelled to do so.

We must all have deep reservations about this initiative, especially at a time when we have real needs right here at home.

In my view, this amendment embodies the most questionable aspects of the entire Enterprise for the Americans Initiative: The forgiveness of debts owed to the American taxpayer by the Latin American governments, and the idea that the interest owed on any new loans would be diverted into a new foreign aid program.

My colleagues should understand that this amendment would authorize the forgiveness of loans—loans of money that hard-working Americans paid in taxes. The sponsors of this amendment will claim that all sorts of conditions have been placed on this debt forgiveness. But the bottom line is that under this amendment, our Government will cancel debts the Latin American governments owe to the people we represent—the American people.

I think these loans were wrong in the first place—they never should have been made, because our foreign aid bureaucrats knew these governments were poor credit risks.

But now many of these countries are doing well, and it is time they pay their debts. To cancel these debts only compounds the original mistakes in making these loans in the first place.

These Latin governments all want free trade agreements with the United States. We should insist that these loans be repaid as a condition for any trading advantage with our country.

This amendment also has a strange provision, section 607. Under this section, if a Latin country signs up for this EAI program, they get new loans to replace the old ones. And, they get to keep any interest payments that would be due. That means interest-free loans. What American taxpayer is getting an interest-free loan?

That's right. Instead of the interest being paid to the United States, the interest goes into a special account, which the Latin government controls, supposedly to be used for so-called environmental projects and child development.

That means the Latin countries get new loans, even after failing to pay back the old loans.

The new loans are effectively interest-free from the American taxpayer.

And, the Latin countries get new foreign aid from the United States in the form of the interest payments, which they, not even our own Government, get to run.

To me, this makes no sense at all. It is throwing more taxpayer money down the foreign aid rathole. It puts these Latin American governments at the head of the line, when we have urgent needs here at home and a $4 trillion debt.

This amendment will make America the laughing stock of the Americas. Once again, we are doling out money, in the form of interest-free loans and foreign aid, when we should be taking care of our own people, for a change.

In good conscience, I cannot support this amendment. What this amendment does is to make Uncle Sam into Uncle Sap. Let's consider our American taxpayers for a change.

So I am compelled to say that I cannot support the amendment.

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

Mr. ROTH. I am happy to yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding. I want to engage at some future time in a debate on this point because we have differences of opinion.

Mr. PORTER. Mr. Chairman, I thank the gentleman for yielding and want to express my strong support for this amendment which authorizes the Enterprise for the America's Initiative.

I am very pleased to see the Enterprise for the Americas Initiative being considered as an amendment to the Jobs Through Exports Act. The Jobs Through Exports Act is designed to promote American workers and products in overseas markets. EAI fits hand- in-hand with this goal.

EAI encourages Latin American and Caribbean nations to stabilize, liberalize, and privatize their economies, and assists them in restructuring their external debt. Strengthening the economies of our neighbors will translate into greater demand for U.S. goods. Since 1986, U.S. exports to Latin America and the Caribbean have doubled. Today $1 of every $7 of goods the United States exports goes to Latin America and the Caribbean, and 57 percent of the goods that region imports from industrialized countries come from the United States. EAI will further open Latin markets and will expand opportunities for United States exporters.

This amendment will have a concrete positive impact on U.S. jobs and exports. Between 1987 and 1990, U.S. exports to EAI nations increased $20 billion. Treasury estimates that every $1 billion increase in U.S. exports creates 20,000 export-related jobs. This growth in exports to Latin America and the Caribbean has yielded 400,000 new jobs for U.S. workers in 4 years. Under this calculation, Illinois gained 15,600 jobs due to increased exports to EAI countries.

The United States benefits from EAI in other important ways as well. EAI generates local currencies that will be used to promote local environmental programs, child survival programs, and community development. Regarding the limited EAI program currently underway, the Jamaican Ambassador wrote to me:

The Jamaica government sees [Enterprise for the Americas] as an opportunity to address some of the regions most pressing problems as well as a vehicle to enhance overall trade, economic and political ties between the United States and other nations of the hemisphere.

We in Jamaica * * * applaud the EAI for its very important environmental component. In fact, two preservation projects were recently completed in Jamaica * * * [including] a national park in the Blue Mountains.

The Treaty currently estimates that for the 10 nations presently eligible for EAI, $190 million could be generated in

local currency to promote the environment, child welfare, and community development.

Mr. Chairman, this amendment will promote jobs and exports in the United States and will promote important environmental and humanitarian programs in the hemisphere. I encourage members to support this sensible amendment and to support the Jobs Through Exports Act.

Mr. WYLIE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Nebraska. His amendment would implement one piece of the President's Enterprise for the Americas Initiative by authorizing the President to reduce AID debt owed by qualifying Latin American and Caribbean countries to the United States Government. This debt reduction will help put this region back on its feet and help it renew access to international financial markets.

The President's Enterprise for the Americas Initiative is a bold and innovative blueprint for a more constructive and mutually beneficial relationship with Latin America. It is supported by a wide range of groups interested in the Americas.

The Heritage Foundation calls it the most comprehensive United States policy initiative for Latin America ever announced by Washington. Instead of relying on foreign aid dollars, it relies on trade and investment.

Latin American governments which have been embracing free market reforms have also embraced the President's initiative as a way to rid their economies of the statist policies of the past and to ensure economic growth in the future. Eligible countries under the initiative are those who commit to economic and democratic reforms including more open trade regimes and markets.

U.S. businesses support the President's plan as a way to gain new and recapture lost export markets.

I rise in support of the initiative because it is good foreign policy, good immigration policy, and good economics.

My home State of Ohio is one of the largest exporting States in the country. During the recent economic downturn, exports have been one of the bright spots in our State and local economy. The President's initiative would allow United States exporters to take advantage of the large and growing markets in Latin America and the Caribbean.

For instance, since 1987, exports from Ohio to Latin America and the Caribbean have increased 47.4 percent. Reducing a portion of the bilateral debt, as provided for in the Bereuter amendment, would provide even greater export potential for Ohio businesses.

I would urge the House to endorse the President's innovative initiative for Latin America by voting for the Bereuter amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WISE

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

The Clerk read as follows:

Amendment offered by Mr. WISE: Add the following at the end of the bill:

TITLE VI—TRADE PROMOTION EXPANSION

SEC. 601. SHORT TITLE.

This title may be cited as the "Trade Promotion Expansion Act of 1992".

SEC. 602. INCREASE IN COMMERCIAL SERVICE OFFICERS IN CERTAIN COUNTRIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise available, there are authorized to be appropriated $5,000,000 for each of the fiscal years 1994 and 1995 for use by the Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service in accordance with subsection (b).

(b) USE OF FUNDS.—Amounts appropriated pursuant to subsection (a) shall be available only for placing and maintaining 20 additional Commercial Service Officers abroad. The Secretary of Commerce, acting through the Director General of the United States and Foreign Commercial Service, may place such additional Commercial Service Officers—

(1) in countries with which the United States has the largest trade deficit, and

(2) in newly emerging market economy countries, with democratically elected governments, in Central and Eastern Europe and elsewhere.

(c) REPORT TO CONGRESS.—The Secretary of Commerce, acting through the Director General of the United States and Foreign Commercial Service, shall, not later than December 31, 1995, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the implementation of subsection (b). Each report shall specify—

(1) in what countries the additional Commercial Service Officers were placed, and the number of such officers placed in each such country; and

(2) the effectiveness of the presence of the additional Commercial Service Officers in increasing United States exports to the countries in which such officers were placed.

Mr. WISE (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 West Virginia?

There was no objection.

Mr. WISE. Mr. Chairman, I would like to explain the amendment.

Mr. Chairman, I rise today to offer an amendment to the Jobs Through Exports Act. My amendment would authorize $5 million each in 1994 and 1995 to place and maintain 20 additional U.S. and Foreign Commercial Service officers abroad.

My amendment would also target these officers to: First, countries with whom the United States has the largest trade deficit, and second, countries with newly emerging market economies, such as Eastern Europe and the Republics of the former Soviet Union, which offer the greatest opportunity for trade expansion.

Finally, my amendment would require the Secretary of Commerce to evaluate the usefulness of these additional officers in increasing U.S. exports.

Mr. Chairman, it is important for the United States to devote greater resources to marketing American products abroad. Current trade promotion efforts are completely inadequate.

For example, I believe Japan spends more promoting itself and its products in Hong Kong alone than the United States spends on promoting itself and its products throughout the world.

In many of our embassies abroad, the marketing of American exports is not a high priority.

Mr. Chairman, I believe that the promotion of U.S. trade should be a principal activity in our embassies and missions abroad, particularly in those countries which would be most receptive to American exports. In order to compete and survive in the global market we have to be willing to support a well-trained and well-equipped team of salespeople.

I believe my amendment, by targeting additional trade promotion resources at countries where there is the greatest potential for increased trade, represents a concrete step toward increasing U.S. exports abroad and creating jobs here at home.

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

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

Mr. GEJDENSON. Mr. Chairman, we have reviewed this amendment. It is an excellent amendment and I think the gentleman from Wisconsin [Mr. ROTH] also supports it, and I hope we can pass it.

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

Mr. WISE. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, spending money on new commercial officers is a wise investment for America's trade competitiveness.

Mr. WISE. Definitely a wise investment.

Mr. ROTH. With all pun intended, right. It places U.S. Commercial Service officers in countries where the United States has its largest trade deficits, and in newly emerging market economies. This does make a lot of sense. We are engaged in global markets, and in global competition, so I think this will improve the bill, and I accept the amendment.

Mr. WISE. I appreciate the gentleman's support.

I would simply say, Mr. Chairman, this amendment is designed to put more salespeople out there hustling American goods, and I would just urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. WISE].

The amendment was agreed to.

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The CHAIRMAN. The Chair will now return to amendments to title I.

AMENDMENT OFFERED BY MR. ANDREWS OF NEW JERSEY

Mr. ANDREWS of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS of New Jersey: Page 2, strike line 4 and all that follows through page 55, line 23, and insert the following:

TITLE I—TERMINATION OF OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 101. TERMINATION OF OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) TERMINATION OF AUTHORITY TO MAKE NEW OBLIGATIONS.—(1) Effective 60 days after the date of the enactment of this Act, the Overseas Private Investment Corporation shall not issue any insurance, guaranties, or reinsurance, make any loan, or acquire any securities, under section 234 of the Foreign Assistance Act of 1961, enter into any agreements for any other activity authorized by such section 234, or enter into risk sharing arrangements authorized by section 234A of that Act.

(2) Paragraph (1) does not require the termination of any contract or other agreement entered into before such paragraph takes effect.

(b) TERMINATION OF OPIC.—Effective 180 days after the date of the enactment of this Act, the Overseas Private Investment Corporation is abolished.

(c) TRANSFER OF OPERATIONS TO OMB.—The Director of the Office of Management and Budget shall effective 180 days after the date of the enactment of this Act, perform the functions of the Overseas Private Investment Corporation with respect to contracts and agreements described in subsection (a)(2) until the expiration of such contracts and agreements, but shall not renew any such contract or agreement. The Director shall take the necessary steps to wind up the affairs of the Corporation.

(d) REPEAL OF AUTHORITIES.—Effective 180 days after the date of the enactment of this Act, title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 and following) is repealed, but shall continue to apply with respect to functions performed by the Director of the Office of Management and Budget under subsection (c).

(e) APPROPRIATIONS.—Funds available to the Corporation are authorized to be transferred, upon the effective date of the repeal made by subsection (d), and to the extent provided in appropriations Acts, to the Director of the Office of Management and Budget for use in performing the functions of the Corporation under subsection (c). Upon the expiration of the contracts and agreements with respect to which the Director is exercising such functions, any unexpended balances of the funds transferred under this subsection shall be deposited in the Treasury as miscellaneous receipts.

SEC. 102. SAVINGS PROVISIONS.

(a) PRIOR DETERMINATIONS NOT AFFECTED.—The repeal made by section 101(d) of the provisions of law set forth in such section shall not affect any order, determination, regulation, or contract that has been issued, made, or allowed to become effective under such provisions before the effective date of the repeal. All such orders, determinations, regulations, and contracts shall continue in effect until modified, superseded, terminated, set aside, or revoked in accordance with law by the President, the Director of the Office of Management and Budget, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PENDING PROCEEDINGS.—

(1) The repeal made by section 101(d) shall not affect any proceedings, including notices of proposed rulemaking, pending on the effective date of the repeal, before the Overseas Private Investment Corporation, except that no insurance, reinsurance, guarantee, or loan may be issued pursuant to any application pending on such effective date. Such proceedings, to the extent that they relate to functions performed by the Director of the Office of Management and Budget after such repeal, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Director, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(2) The Director of the Office of Management and Budget is authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) ACTIONS.—Except as provided in subsection (e)—

(1) the provisions of this title shall not affect suits commenced before the effective date of the repeal made by section 101(d); and

(2) in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this title had not been enacted.

(d) LIABILITIES INCURRED.—No suit, action, or other proceeding commenced by or against any officer in the official capacity of such individual as an officer of the Overseas Private Investment Corporation, shall abate by reason of the enactment of this title. No cause of action by or against the Overseas Private Investment Corporation, or by or against any officer thereof in the official capacity of such officer shall abate by reason of the enactment of this title.

(e) PARTIES.—If, before the effective date of the repeal made by section 101, the Overseas Private Investment Corporation or officer thereof in the official capacity of such officer, is a party to a suit, then such suit shall be continued with the Director of the Office of Management and Budget substituted or added as a party.

(f) REVIEW.—Orders and actions of the Director of the Office of Management and Budget in the exercise of functions of the Overseas Private Investment Corporation shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Overseas Private Investment Corporation. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function of the Overseas Private Investment Corporation shall apply to the exercise of such function by the Director of the Office of Management and Budget.

Mr. ANDREWS of New Jersey (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 Jersey?

There was no objection.

Mr. ANDREWS of New Jersey. Mr. Chairman, I want to begin by thanking the chairman, the gentleman from Connecticut [Mr. GEJDENSON], and the members of his subcommittee and the full committee for their cooperation in this matter. I want to note my enthusiasm for their initiatives in promoting the growth of employment in the United States.

I do have a point of difference on title I with respect to the reauthorization of OPIC and I wanted to spend a few minutes talking about that today and why I proposed this amendment that would strike that title from this reauthorization bill.

The full faith and credit of the U.S. Government and the American people is a valuable asset. No matter how we score it in a budget agreement, no matter how we allocate dollars to it on our national balance sheet, it is a valuable asset.

The guiding principle behind OPIC is that that full faith and credit of the U.S. Government and the American people is used to promote and develop certain private initiatives outside the borders of the United States. It is important that we understand the difference between what our Government does for businesses located in our country and what our Government is offering to do for businesses located outside of our country under the provisions of this proposal.

If a business person in one of our districts today, Mr. Chairman, was interested in receiving a Federal loan guarantee to start a new research lab, to initiate a new manufacturing facility, to start a new retail business, it would be a very, very unlikely and unusual thing for that American investor to receive a loan guarantee backed by the full faith and credit of the American Government.

I represent the city of Camden, NJ. There are dozens of business people who might locate in that city or in my State of New Jersey if there was a Federal loan guarantee offered on their behalf or a Federal direct loan offered on their behalf. Except in very rare circumstances, we do not do that in the Federal Government.

OPIC does. OPIC will tell us it is revenue generated from other borrowers and other beneficiaries of their guarantees that keep the corporation going. That is true. But it is also true that the major asset that OPIC deals with is the full faith and credit of the American people.

How have they used that full faith and credit in recent years? They used it for a $14 million loan guarantee to McDonald's so they could build 16 hamburger restaurants in Brazil. They used it for a $27 million loan guarantee for the Jamaica Grand so there could be privatization and refurbishment of a hotel, a luxury resort hotel, in Jamaica. They used it to lend $1.8 million to a company called Data Logic for a data processing business in Grenade that could be located, in Pennsylvania

or Texas or New Jersey. They used it for a $2.62 million loan to Caribex Dominicana for a fruit juice processing plant in the Dominican Republic.

Now, my constituents ask me, Mr. Chairman, on a regular basis, "Why do we do this? Why do we use the full faith and credit of the American people to underwrite these kinds of transactions?" And the proponents of OPIC offer us two reasons.

The first is that these transactions and others OPIC engages in create jobs here in the United States. I would submit to you, Mr. Chairman, that the burden of proof is on OPIC to show that they create jobs here in the United States.

I was fortunate enough to participate in a hearing before the Employment Opportunity Subcommittee of the Committee on Education and Labor in which we had an opportunity to ask the officials of OPIC about how many jobs were created by these and other projects. The answers that you get are answers in the aggregate, 13,000 jobs created in 1991, and you start to dig beneath those numbers: "How much on a per-project basis?" "Well, it is difficult to say. We use an economic model. This is a forecast. This is an estimate. This is a probability."

Mr. Chairman, I would submit to you and my colleagues that OPIC has not met its burden of proof to back up those numbers. It has not demonstrated to us how a loan guarantee that uses the full faith and credit of our constituents that helps to build 16 McDonald's restaurants in Brazil creates jobs in the United States. It has not met its burden of proof of demonstrating to us how guaranteeing a $27 million bank loan guarantee for a luxury hotel in Jamaica, that they have not met their burden of proof.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ANDREWS] has expired.

(By unanimous consent, Mr. ANDREWS of New Jersey was allowed to proceed for 2 additional minutes.)

Mr. ANDREWS of New Jersey. Mr. Chairman, the second argument they make is it is good for American foreign policy to promote the growth of American-owned businesses around the world. I agree. I agree. But I would suggest to you that the purview of the decisionmaking for that kind of foreign-policy decision is not a quasi-private corporation that is not immediately accountable to the public. It is not the American private sector in the first instance. It is the U.S. Government that can be regulated and monitored by the committees of this House and the other body whose budget is analyzed through the appropriations process in this House and the other body.

I would suggest to you that foreign policy of this country ought not to be conducted by an outfit like OPIC. It ought to be conducted by the people duly elected by the voters of the United States.

Mr. Chairman, this is a program that has good intentions. At best, it has questionable results. I believe it has very bad results.

Let us turn the full faith credit of our constituents, our taxpayers, and our Government to the creation of businesses and jobs in the United States.

OPIC is an improper exercise of the full faith and credit of the American Government. For that reason, I would urge adoption of my amendment.

Mr. GEJDENSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New Jersey is an articulate advocate for his position, and he has two amendments. This one is simply wrong. The next one is a good amendment that will make the program even better.

I would just like to say several quick things. The American Government does provide insurance where it is needed in the United States. If you have a business in an area that gets flooded, you can get flood insurance from the Federal Government. You do not need political stability insurance in the United States, thankfully. You do in other countries.

Two examples of this self-sustaining program helping New Jersey, and there are lots of other places we could pick, but we pick New Jersey because the gentleman comes from there, OPIC provided political risk insurance coverage on performance bonds issued by a New Jersey firm for the construction, design, furnishing and installation of a telephone central office switching facility and maintenance center in Egypt. The project gave rise to $81 million of U.S. exports. Those are jobs here in the United States, and that is why it is important when McDonald's goes someplace else. All the equipment in that store comes from the United States.

If you look at Costa Rica, OPIC provided political risk insurance for a New Jersey company to do work in Costa Rica, 45 million dollars' worth of exports.

The way you make your country richer is by increasing exports and getting value from other countries. We need programs to help us compete with the Japanese and other countries that have us outgunned. In the case of Japan, their program is 34 times as large as ours.

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

Mr. GEJDENSON. Mr. Chairman, I am happy to yield to the gentleman from Florida [Mr. FASCELL], the eminent chairman of the Committee on Foreign Affairs.

Mr. FASCELL. Mr. Chairman, I ask the chairman: Does OPIC have a reserve fund that is built out of fees?

Mr. GEJDENSON. Reclaiming my time, yes, it does.

Mr. FASCELL. What is the amount of that reserve fund?

Mr. GEJDENSON. That reserve fund built out of fees from companies who get the guarantees is $1.8 billion.

Mr. JOHNSTON of Florida. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Chairman, if I could follow along with the same analogies that the gentleman is using and use one in my State of Florida, where the chairman comes from, and it is through a $3 million direct loan to the United States small business in Florida, the Overseas Private Investment Corporation supported the expansion of a fertilizer blending and distribution facility in Panama.

Initial capital procurement of United States manufactured machinery is projected to total an estimated $350,000. In addition, the expansion will enable the project to significantly increase the volume of U.S.-made materials, agricultural chemicals, and machinery replacement parts. Exports of these U.S. goods will reach $16.8 million during the 1992–96 period.

American business needs and deserves effective government support in order to penetrate these markets, and I strongly oppose the Andrews amendment.

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

Mr. Chairman, I appreciate the interest of the gentleman from New Jersey [Mr. ANDREWS]; we need Members who challenge and question the actions of the majority.

But I must oppose the amendment offered by the gentleman from New Jersey [Mr. ANDREWS], because it would shut down a well-run agency that helps U.S. businesses and creates jobs. For example, President Bush and Russian President Boris Yeltsin stated in their summit that the best way to help the new independent states is to create trade between the United States and the Commonwealth of Independent States, and this is what we are trying to do in our bill.

The private sector must get involved by investing in these new states and by exporting U.S. goods to them.

□ 1530

We are living in a global economy. OPIC is the primary way for U.S. companies to get economically involved in these states, and without OPIC, many companies will not risk investing in these new emerging countries. We must reauthorize the Overseas Private Investment Corporation, because it is one of the few ways that U.S. companies can gain access to the emerging markets.

Japan and the European community are all over Eastern Europe, as an example. We must help our companies compete.

The Overseas Private Investment Corporation costs the taxpayers nothing because it is self-sustaining, as has been pointed out.

OPIC currently has some $1.8 billion in assets and does not receive appropriations.

This bill will even take care of the legislative changes that are needed to continue OPIC's loans and loan guarantees under the Credit Reform Act by stating that OPIC can continue to cover any costs for these activities from its revenues from insurance premiums.

So I say to the gentleman from New Jersey [Mr. ANDREWS] that while his questions are well intentioned, I think it is important to point out that we need OPIC because it has created some 460,000 jobs over the past 20 years and some 13,000 jobs in 1991 right here in the USA.

The Overseas Private Investment Corporation is not harming America. We live in a global economy and that is a fact of life. That is why the Overseas Private Investment Corporation is so important.

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

Mr. ROTH. I am happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I also rise in strong opposition to the Andrews amendment abolishing OPIC. OPIC is one of the most successful, cost-effective job promoting programs we have. Unlike others, it actually makes money and does not really cost the Government. It has long received much bipartisan support.

OPIC's programs have provided loans and political risk insurance to American companies expanding into new markets in the developing world. This has been a win-win process.

We are able to help bolster emerging democracies and new market economies desperately in need of private, foreign investment. The success of these new democracies directly affects our national security interests. In some cases, we have invested much political, diplomatic and even military capital in an effort to support real democratic and economic changes in developing countries. But, during these tight fiscal times here at home, we are not in a position to sustain—through direct aid—our support. Private American investments ensure that these gains are not lost, but are actually strengthened.

For this reason alone, eliminating OPIC may sound pennywise, but in actuality is pound-foolish. Consider this, we have spent literally trillions of dollars over the past half-century containing and defeating the Communist Soviet threat. Well, we have succeeded. Now, for mere pennies we can help ensure Eastern Europe, Russian, and other former Communist States successfully complete the transition to democracy and free market economies.

The critics of OPIC claim our involvement in Eastern Europe with skilled labor will hurt American jobs. On the contrary, many Western European governments are sponsoring; that is, subsidizing, the private sectors in their respective countries to become heavily involved in Eastern Europe. These Western European firms are the real competitive threat to American industry. Rather than give American business an equal chance to get involved in Eastern Europe and expand into its markets, this amendment would throw away these opportunities to our fiercest competitors.

Further, it is in our national security interests to help skilled labor in these countries find productive jobs at home—especially those who were involved in nuclear and other high-technology, weapons related industries. Otherwise, they could be enticed to work for Iraq, Iran, Libya, and other terrorist countries wanting to build nuclear and other kinds of weapons of mass destruction. This is a very serious problem with great ramifications.

With the changes in Eastern Europe and the former Soviet Union, there is lots of room for economic growth. In other words, new investments that create new jobs for the skilled workers in these countries do not steal American jobs. As these formerly closed, centrally restricted economies open up and expand, many new—previously nonexistent—opportunities exist for both local and American workers.

OPIC has proven to be a winner for American business and American jobs. Businesses are naturally very reluctant to invest in foreign countries that are even marginally risky. OPIC's investment protection has made the difference time and time again prompting American investments which have resulted in very promising returns. It is not "corporate welfare." A wide range of businesses from large to small pay for OPIC assistance, and they would not do that if it did not add value to their export and investment strategy.

These new investments expand American export markets and job opportunities at home to fulfill those new export orders. There is a multiplier effect that goes far beyond the initial OPIC-related investment as bilateral trade expands. The bottom line is that OPIC-related investments help provide American jobs—over 13,000 last year alone! In all, OPIC-sponsored projects have created more than 359,000 person-years of employment right here in America.

It is important to remember that the recent recession was softened by growth in our export sector. OPIC helped promote some of that growth, generating over $22.9 billion in U.S. exports. It is a key antirecessionary tool. Critics are correct, OPIC alone will not unilaterally solve unemployment problems in America. But, it has proved it can help.

Some of OPIC's critics have not been here in Congress for long and are perhaps unaware that their arguments have been proven inaccurate over and over again. I have heard many of the same so-called concerns about American job losses expressed about OPIC's involvement in Latin America. What has really happened? Economic growth in our neighbors to the south and increased jobs here at home.

OPIC operates on a self-sustaining basis. It operates at no net cost to the U.S. taxpayer. In fact, it takes in more money than it costs the Treasury, returning 10 times its operating budget to the Treasury. It has constantly run in the black and provides a lot of bang for the bucks obligated to it—bucks that really are not spent, but are there for the yet to happen "just in case" default.

It makes no sense to eliminate such a win-win program that benefits both national security and American jobs on the basis of election-year rhetoric and inaccurate OPIC-bashing information. If this amendment were to pass, I think there is a good chance President Bush would—rightly in my opinion—veto the bill.

If those opposed to OPIC are truly concerned about increasing American employment and cutting Government spending, I can refer them to many far superior ways to address these issues. Eliminating OPIC is not one of them. I urge my colleagues to reject this flawed amendment.

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

Mr. Chairman, I rise in strong support of the Andrews amendment, which would eliminate the Overseas Private Investment Corporation.

It is inconceivable to me that we are subsidizing investment risks overseas at a time when American small businesses find investment capital in short supply.

Have we forgotten that the unemployment rate here at home is rising? Why should we be guaranteeing overseas investment for corporate America when we need more investment in our own communities here at home?

If American companies want to invest overseas in unstable political environments, that is a risk they should have to justify to their shareholders. It is not a risk they should palm off onto the U.S. Government and American taxpayers. I urge adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. ANDREWS].

The amendment was rejected.

AMENDMENT OFFERED BY MR. ANDREWS OF NEW JERSEY

Mr. ANDREWS of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read and follows:

Amendment offered by Mr. ANDREWS of New Jersey:

Page 50, line 10, strike "INFORMATION IN AGGREGATE FORM" and insert "BASIS FOR PROJECTIONS".

Page 50, line 13, strike "Such" and all that follows through page 51, line 3, and insert the following after line 3:

"(3) MANNER OF REPORTING EFFECTS ON EMPLOYMENT.—In reporting the projections on employment required by this subsection, the Corporation shall specify, with respect to each project—

"(A) any loss of jobs in the United States caused by the project, whether or not the project itself creates other jobs;

"(B) any jobs created by the project; and

"(C) the country in which the project is located, and the economic sector involved in the project.

No proprietary information may be disclosed under this paragraph.

Mr. ANDREWS of New Jersey (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 Jersey?

There was no objection.

Mr. ANDREWS of New Jersey. Mr. Chairman, first, again let me acknowledge my appreciation to the gentleman from Connecticut [Mr. GEJDENSON] for his work with me on this amendment.

The crux of the last debate really turns in my mind around the issue of whether or not OPIC has met its burden of demonstrating that the aggregate job numbers that we just heard about job creation within the United States are in fact true.

In the hearing that I made reference to a few minutes ago these numbers were repeated, but when we dug into the essence of the numbers, tried to understand on a project-by-project basis from where they came, I do not believe the answers were satisfactory.

Chairman GEJDENSON has indicated interest in finding a way to further enlighten us on those numbers and magnify the source of those numbers; so this amendment would require OPIC to being reporting on a project-by-project basis any project in which OPIC itself estimates that there would be job loss within the United States, instead of simply reporting its job numbers on a net basis.

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

Mr. ANDREWS of New Jersey. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I think the gentleman is properly addressing the concerns we ought to have on this issue. He raises some important issues.

While I think OPIC clearly creates and generates close to half a million jobs and the trade balance is all positive, we can never do enough to make sure that we are not displacing American workers.

Mr. Chairman, I support the amendment.

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

Mr. ANDREWS of New Jersey. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I do believe the gentleman has a good amendment here. I think it is important for Congress to have oversight over all agencies.

Although the Overseas Private Investment Corporation's mandate is to not support projects that have any significant negative effect on U.S. industry or on U.S. workers, this additional language I think will insure that OPIC is helping to create American jobs, rather than displacing American workers.

I think the gentleman has a good amendment. I think it improves this bill, and I ask that the Members join in supporting it.

Mr. ANDREWS of New Jersey. Reclaiming my time, Mr. Chairman, I thank the chairman and the ranking member. I would hope this will permit us to make the continuing and honest evaluation of the work of OPIC.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. ANDREWS].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I? If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—TRADE AND DEVELOPMENT AGENCY

SEC. 201. TRADE AND DEVELOPMENT AGENCY.

Section 661 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 661. TRADE AND DEVELOPMENT AGENCY.

"(a) PURPOSE.—The Trade and Development Agency shall be an agency of the United States under the foreign policy guidance of the Secretary of State. The purpose of the Trade and Development Agency is to promote United States private sector participation in development projects in developing and middle-income countries.

"(b) AUTHORITY TO PROVIDE ASSISTANCE.—

"(1) AUTHORITY.—The Director of the Trade and Development Agency is authorized to work with foreign countries, including those in which the United States development programs have been concluded or those not receiving assistance under part I, to carry out the purpose of this section by providing funds for feasibility studies, architectural and engineering design, and other activities related to development projects which provide opportunities for the use of United States exports.

"(2) USE OF FUNDS.—Funds under this section may be used to provide support for feasibility studies for the planning, development, and management of, and procurement for, bilateral and multilateral development projects, including training activities undertaken in connection with a project, for the purpose of promoting the use of United States goods and services in such projects. Funds under this section may also be used for architectural and engineering design, including—

"(A) concept design, which establishes the basic technical and operational criteria for a project, such as architectural drawings for a proposed facility, evaluation of site constraints, procurement requirements, and equipment specifications; and

"(B) detail design, which sets forth specific dimensions and criteria for structural, mechanical, electrical, and architectural operations, and identifies other resources required for project operations.

"(3) INFORMATION DISSEMINATION.—(A) The Trade and Development Agency shall disseminate information about its project activities to the private sector.

"(B) Other agencies of the United States Government shall cooperate with the Trade and Development Agency in order for the Agency to provide more effectively informational services to persons in the private sector concerning trade development and export promotion related to development projects.

"(4) NONAPPLICABILITY OF OTHER PROVISIONS.—Any funds used for purposes of this section may be used notwithstanding any other provision of law.

"(c) DIRECTOR AND PERSONNEL.—

"(1) DIRECTOR.—There shall be at the head of the Trade and Development Agency a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

"(2) OFFICERS AND EMPLOYEES.—(A) The Director may appoint such officers and employees of the Trade and Development Agency as the Director considers appropriate.

"(B) The officers and employees appointed under this paragraph shall have such functions as the Director may determine.

"(C) Of the officers and employees appointed under this paragraph, 2 may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be compensated without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title.

"(D) Under such regulations as the President may prescribe, any individual appointed under subparagraph (C) may be entitled, upon removal (except for cause) from the position to which the appointment was made, to reinstatement to the position occupied by that individual at the time of appointment or to a position of comparable grade and pay.

"(d) ANNUAL REPORT.—The President shall, not later than December 31 of each year, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on the activities of the Trade and Development Agency in the preceding fiscal year.

"(e) AUDITS.—

"(1) IN GENERAL.—The Trade and Development Agency shall be subject to the provisions of chapter 35 of title 31, United States Code, except as otherwise provided in this section.

"(2) INDEPENDENT AUDIT.—An independent certified public accountant shall perform a financial and compliance audit of the financial statements of the Trade and Development Agency each year, in accordance with generally accepted Government auditing standards for a financial and compliance audit, taking into consideration any standards recommended by the Comptroller General. The independent certified public accountant shall report the results of such audit to the Director of the Trade and Development Agency. The financial statements of the Trade and Development Agency shall be presented in accordance with generally accepted accounting principles. These financial statements and the report of the accountant shall be included in a report which contains, to the extent applicable, the information identified in section 3512 of title 31, United States Code, and which the Trade and Development Agency shall submit to the Congress not later than 6½ months after the end of the last fiscal year cov-

ered by the audit. The Comptroller General may review the audit conducted by the accountant and the report to the Congress in the manner and at such times as the Comptroller General considers necessary.

"(3) AUDIT BY COMPTROLLER GENERAL.—In lieu of the financial and compliance audit required by paragraph (2), the Comptroller General shall, if the Comptroller General considers it necessary or upon the request of the Congress, audit the financial statements of the Trade and Development Agency in the manner provided in paragraph (2).

"(4) AVAILABILITY OF INFORMATION.—All books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Trade and Development Agency and the accountant who conducts the audit under paragraph (2), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office designated by the Comptroller General.

"(f) FUNDING.—

"(1) AUTHORIZATION.—There are authorized to be appropriated for purposes of this section, in addition to funds otherwise available for such purposes, $55,000,000 for fiscal year 1992 and $70,000,000 for fiscal year 1993.

"(2) FUNDING FOR TECHNICAL ASSISTANCE GRANTS BY MULTILATERAL DEVELOPMENT BANKS.—(A) The Trade and Development Agency should, in fiscal years 1992 and 1993, substantially increase the amount of funds it provides to multilateral development banks for technical assistance grants.

"(B) As used in subparagraph (A)—

"(i) the term 'technical assistance grants' means funding by multilateral development banks of services from the United States in connection with projects and programs supported by such banks, including, but not limited to, engineering, design, and consulting services; and

"(ii) the term 'multilateral development bank' has the meaning given that term in section 1701(c) of the International Financial Institutions Act.".

SEC. 202. RENAMING OF TRADE AND DEVELOPMENT PROGRAM; CONFORMING CHANGES.

(a) RENAMING OF TRADE AND DEVELOPMENT PROGRAM.—The Trade and Development Program shall, on or after the effective date of this section, be known as the Trade and Development Agency.

(b) APPOINTMENT OF PRESENT DIRECTOR NOT AFFECTED.—The enactment of this title shall not affect the appointment of the individual who is the Director of the Trade and Development Program on the effective date of this section.

(c) TRADE AND DEVELOPMENT ENHANCEMENT ACT OF 1983.—(1) Sections 644, 645, and 646 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635q, 635r, and 635s) are each amended by striking "Trade and Development Program" each place it appears and inserting "Trade and Development Agency".

(2) The section heading for section 645 of such Act is amended by striking "TRADE AND DEVELOPMENT PROGRAM" and inserting "TRADE AND DEVELOPMENT AGENCY".

(d) TITLE 5.—Section 5314 of title 5, United States Code, is amended by striking out

"Director, Trade and Development Program."

and inserting in lieu thereof

"Director, Trade and Development Agency.".

(e) REFERENCE IN OTHER LAWS.—Any reference in any law to the Trade and Development Program shall be deemed to be a reference to the Trade and Development Agency.

The CHAIRMAN. Are there any amendments to title II? If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—AID, TRADE, AND COMPETITIVENESS

SEC. 301. SHORT TITLE.

This title may be cited as the "Aid, Trade, and Competitiveness Act of 1992".

SEC. 302. CAPITAL PROJECTS OFFICE WITHIN THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) ESTABLISHMENT OF OFFICE.—The Administrator of the Agency for International Development shall establish a capital projects office to carry out the purposes described in subsection (b).

(b) PURPOSES OF OFFICE.—The purposes referred to in subsection (a) are—

(1) to develop an AID program that would focus solely on developmentally sound capital projects, taking into consideration development needs of the host country and the export opportunities for the United States; and

(2) to consider specifically opportunities for United States high-technology firms, including small- and medium-sized firms, in supporting capital projects for developing countries and for countries making the transition from nonmarket to market economies.

(c) ACTIVITIES OF AID.—The Administrator of AID (acting through the capital projects office), after consultation with the Trade and Development Agency and, where appropriate, the Export-Import Bank of the United States—

(1) shall support capital projects in developing countries and in countries making the transition from nonmarket to market economies;

(2) shall periodically review infrastructure needs in developing countries and countries making the transition from nonmarket to market economies and shall explore opportunities for United States firms in the development of new capital projects in these countries, keeping both United States firms and the Congress informed of these reviews;

(3) shall determine whether each capital project for which AID provides funding is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development;

(4) shall coordinate its activities with other AID offices, and work with AID country missions, in developing capital projects that provide opportunities for United States firms consistent with AID's primary mission to help developing countries with traditional development projects;

(5) shall coordinate, where appropriate, funds available to AID for tied-aid credits; and

(6) shall play a special role in helping to meet the infrastructure needs of countries making the transition from nonmarket to market economies by meeting the challenge of infrastructure assistance provided by foreign governments to those countries, including by undertaking a comprehensive study of the infrastructure needs of the various countries making the transition from nonmarket to market economies—

(A) to identify those sectors in the economies of these countries that are most in need of rebuilding, and

(B) to identify the state of technology in these countries and the opportunity for United States high technology firms to help develop a technological infrastructure in these countries, including an assessment of export opportunities for United States high technology companies.

The results of the study conducted pursuant to paragraph (6) shall be reported to the appropriate congressional committees within 12 months after the date of the enactment of this Act.

SEC. 303. COORDINATION.

The President shall utilize the existing interagency coordinating mechanism to coordinate activities under this title with other relevant activities of the United States Government.

SEC. 304. REPORTS TO CONGRESS ON CAPITAL PROJECTS.

Not later than February 1, 1993, and each year thereafter, the President shall submit to the Congress a report describing—

(1) the extent to which United States Government resources have been expended specifically to support capital projects in developing countries and countries making the transition from nonmarket to market economies;

(2) the extent to which the activities of the United States Government have been coordinated pursuant to section 303; and

(3) the extent to which United States Government capital projects and tied-aid credit programs have affected United States exports.

SEC. 305. NEGOTIATIONS OF THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT.

If the negotiations for the implementation of the December 16, 1991, agreement within the Organization for Economic Cooperation and Development have not been completed by August 1, 1992, the Secretary of the Treasury, together with the President of the Bank, shall submit a report to the Congress on the status of the negotiations, including an analysis of the negotiations since 1987, the causes for the failure to reach an agreement by that date, and reasons the United States Government believes that continued negotiations will result in achieving the implementation of such agreement.

SEC. 306. FUNDING FOR CAPITAL PROJECTS.

The Congress strongly urges the President to use at least $650,000,000 for fiscal year 1992 and at least $700,000,000 for fiscal year 1993 of the total amounts made available for assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), assistance under the Multilateral Assistance Initiative for the Philippines, and assistance under the Support for East European Democracy (SEED) Act of 1989, for grants for developmentally sound capital projects. Such grants may be combined with financing offered by private financial entities or other entities. Funds for grants under this section may not be used from amounts appropriated to carry out chapter 1 or chapter 10 of part I of the Foreign Assistance Act of 1961.

SEC. 307. REPORT ON THE FEASIBILITY OF AID CREDIT GUARANTEES TO FINANCE CAPITAL PROJECTS.

Not later than September 1, 1992, the President shall submit to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate a report on the feasibility of allowing AID to offer credit guarantees for the financing of capital projects.

SEC. 308. DEFINITIONS.

For purposes of this title—

(1) the term "AID" means the Agency for International Development;

(2) the term "capital project" means a project involving the construction, expansion, alteration of, or the acquisition of equipment for, a physical facility or physical infrastructure, including related engineering design (concept and detail) and other services, the procurement of equipment (including any related services), and feasibility studies or similar engineering and economic services; and

(3) the term "tied-aid credit" has the meaning given to such term in section 15(h)(1) of the Export-Import Bank Act of 1945.

SEC. 309. AUTHORIZATION OF ADDITIONAL FUNDING FOR THE TRADE AND DEVELOPMENT AGENCY FOR FISCAL YEAR 1993.

In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated for the Trade and Development

Agency $20,000,000 for fiscal year 1993 to carry out section 661 of the Foreign Assistance Act of 1961.

AMENDMENT OFFERED BY MR. MILLER OF WASHINGTON

Mr. MILLER of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Washington: Page 67, lines 24 and 25, strike "$650,000,000" and insert "$100,000,000", and strike "$700,000,000" and insert "$100,000,000".

Mr. MILLER of Washington. Mr. Chairman, I rise with a very simple amendment.

There are many excellent provisions in this bill which the committee, the chairman, and the ranking member deserve credit for; but there is one provision in this bill that we should definitely amend.

While the title of this bill is Jobs Through Exports, there is in this bill a provision that relates to the Agency For International Development [AID]. This provision increases AID's capital project appropriation authorization for 1993 from the $100 million that AID and the administration requested, to $700 million.

□ 1240

That is a $600 million increase. My amendment, very simply, would reduce the amount back to the $100 million that the administration and AID requested.

Now, there are two primary reasons for doing so. One relates to how this money is going to be spent, the emphasis on capital projects. If there is one conclusion that we should be able to draw after 30 or 40 years of foreign aid, it should be that the foreign aid that has been least effective has been foreign aid for capital projects. The foreign aid that has been most effective is the foreign aid that has gone to alleviate poverty and to promote free enterprise.

Indeed, the Committee on Foreign Affairs in this House, over the last several years, through various provisions, has tried to set a new direction in foreign aid, tried to encourage the alleviation of poverty, tried to promote free enterprise. This goes counter to that direction.

The second primary reason for this amendment relates to the administrative crisis—and I do not think that is an overstatement—in AID. This is an agency that presently has 400 unit offices. This is an agency that has been investigated by committee after committee after committee and commission. One thing is clear: No matter who wins the election, this agency is in for a drastic overhaul. There is no question about it.

So, why solidify another unit office in this agency, give this agency money to pursue another task when the agency itself has not asked for the money, when the administration has not asked for the money.

It is a very simple amendment. I ask my colleagues to approve the amendment and reduce this authorization back to the $100 million requested.

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

Mr. Chairman, this amendment is an amendment that I think the gentleman sincerely feels is correct, but I am afraid the amendment is drafted in such a way that it does not achieve what he wants. What the gentleman from Nebraska [Mr. BEREUTER] will offer shortly will achieve some of what Mr. MILLER wants.

The choice here is very simple: We either, as we presently do, hand these governments ESF funds, economic support funds, give them a stack of money and hope they do the right thing with it; or, under our provision, help American jobs, help American exports, and build them a water filtration system or something that the country needs.

It seems to me that when we take a look at what the Japanese and the Europeans have done around the globe to take away market share, that we have missed an opportunity and we have misused taxpayer funds.

What our proposal will do is provide more help for people who need it and assist exports from this country so there will be more jobs here.

When you take a look at the draft of the gentleman's amendment, the only thing the gentleman's amendment will do is protect the ability of the administration just to hand the money to the other governments. I think we are better off giving them the projects that they need.

The gentleman from Nebraska's amendment which he will offer later will provide the additional guarantees for the small projects that I think Mr. MILLER wants to protect.

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

The CHAIRMAN pro tempore. Without objection the gentleman from Washington [Mr. MILLER] is recognized for 5 minutes.

There was no objection.

Mr. MILLER of Washington. Mr. Chairman, the chairman of this committee has referred to Mr. BEREUTER'S amendment which will follow, which I certainly support. Mr. BEREUTER'S amendment would, in essence, say, "By gosh, if we are going to have capital projects, let us try to focus them on the legitimate needs of the people in the recipient countries." That is a desirable, very desirable objective. But why, when we have a beleaguered agency such as AID, why should we be moving to increase by $600 million an account when that agency has said they are not able to spend that money efficiently? Why should we be moving over the administration's objection to increase this account by $600 million? And how are we doing it?

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

Mr. MILLER of Washington. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is right. What happens in the bureaucracy is sometimes they would just rather hand the money out to some of these governments and then it does not get used for what we intended it to be used.

The way we drafted this, not only do we actually help the people with the project that is intended—obviously something everybody agrees on, we are not forcing them to take these things—but additionally we help American exporters and American jobs. It is a twofer.

Mr. MILLER of Washington. But AID already has $500 million in funds spread through different accounts for capital projects. This is a major increase in another bill, back door, trying to increase AID's appropriations. And how does it do it? The chairman earlier referred to the fact, pejoratively, of ESF funds. This amendment tries to do it by saying these funds will be taken either from ESF funds that might go to places like Egypt or even Russia. Is that not ludicrous? In another week or two, we are going to have a Russian aid bill on the floor. Where we have an amendment that is trying to increase the capital projects account and is going to do it ostensibly by taking funds that we are going to be appropriating perhaps next week. It says it will take this money from SEED, the European Democracy Act. It says it will take if from the multilateral assistance to the Philippines.

Mr. GEJDENSON. If the gentleman would yield further, it does not take the money away; it simply uses it for the project rather than handing that government the money and hope that they buy an American product in that end. We want them to buy American products when they make these projects. We want them to use American components. We want to make sure that we help both the government involved and the people who need it, and American workers.

Mr. MILLER of Washington. Reclaiming my time, I think that is a desirable objective, and you could have amendments that point toward that objective without increasing by $600 million AID's budget for capital projects.

I ask my distinguished colleague: The purposes you want to achieve, can you not achieve these purposes without increasing the capital projects budget of AID by $600 million?

Mr. GEJDENSON. What is going to happen is that, if you leave it as it is, the money will be spent by handing it over to these governments and hoping and praying that they use it to buy

American products or for what we want them to use it.

I think we ought to learn from our Japanese and European competitors. When they go in to provide assistance, you can be darned sure they are not buying Isuzu trucks. We ended up buying Isuzu trucks with American taxpayer dollars for a DEA project in Bolivia. I think we should have bought American trucks. The same thing goes here. We ought to use the money to buy American products to put in these places, and not just hand them the cash.

Mr. MILLER of Washington. Reclaiming my time, I am not arguing with the gentleman. I am saying, however, while it may be very legitimate, if you have a capital project, to buy American products, what we are trying to do here is to increase the least efficient, most wasteful form of foreign aid; and that least efficient, most wasteful form of foreign aid cannot be justified because American products would be bought.

□ 1540

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

Mr. Chairman, I say to my colleagues in order to develop some full understanding of what this amendment does and what the committee attempted to do in this area, it is my understanding—and I would like the gentleman from Washington [Mr. MILLER] to walk me through this—that we are actually increasing the capital project office in the Agency for International Development by what; $600 million? Is that correct?

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Washington.

Mr. MILLER of Washington. Mr. Chairman, the gentleman from Ohio [Mr. KASICH] is correct.

Mr. KASICH. Now the gentleman from Connecticut [Mr. GEJDENSON] says the reason why he is doing that is to have a buy-American provision.

Mr. MILLER of Washington. That is correct.

Mr. KASICH. Well, I ask, "Can't they just offer an amendment to have a buy-American provision without increasing the account by $600 million?"

Mr. MILLER of Washington. It would certainly seem that way to me.

Mr. KASICH. I have been confused because the gentleman has been raising this issue, and the gentleman from Connecticut [Mr. GEJDENSON] has said that he wants these foreign governments to buy American. Would the gentleman like to explain this?

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

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

Mr. GEJDENSON. Mr. Chairman, I am very eager and apologize for being so eager to answer the gentleman.

First of all, Mr. Chairman, what we are simply doing is urging the administration. It is not an authorization. It provides no extra funds to use $200 million of the money in capital projects, and that just gives us more control in the components, and it is less likely that they will purchase other funds, and I say, "If you leave it in ESF, what happens is you transfer it to Government. You lose control."

Mr. KASICH. But is it not possible under this provision in the law for the Agency for International Development to be able to spend $600 million more than what the administration has requested? Is that not correct.

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Washington.

Mr. MILLER of Washington. That is correct.

Mr. KASICH. It gives them the opportunity to do this.

Now my concern is when we look at the Agency for International Development, and I assume the gentleman early on entered this in the RECORD, but I think we have to reemphasize this to our colleagues: The Presidential Commission on the Agency for International Development called for major reorganization of the whole AID Program, stating that, quote, the foreign assistance program suffers from serious and persisting management problems.

What they say in there is, and a Presidential commission says this, and this is an administration that has pushed very diligently for more foreign aid; this administration is saying that the Agency for International Development does not manage their money correctly, and so what this amendment attempts to do is to leave the level of funding for AID at the administration request level and not to boost it by $600 million extra that they would be able to spend, that they would be permitted to be able to spend.

Is that correct?

Mr. MILLER of Washington. I think that is correct.

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

Mr. KASICH. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I am certainly not a Member of this House who can be accused of supporting foreign aid because I vote against foreign aid. What we do in our bill is not add any new money, but to take money out of three accounts in AID that have the most flagrant waste.

Mr. Chairman, these accounts are the economic support fund, the Philippines multilateral assistance initiative and the SEED, the program for Eastern Europe. What our bill does is allow that money to be taken and put into capital improvements.

Why are we doing that? Because, if we put it into capital improvements, then we can say, "If you use this money, you have to come to the United States to buy your products here, use U.S. contractors and hire Americans."

And that is why——

Mr. KASICH. Mr. Chairman, I am not trying to argue with the gentleman. I want to understand.

Mr. ROTH. I understand. So, what we are doing is creating jobs because we have this proviso in the bill.

Mr. KASICH. But this would permit though money from Eastern Europe to be transferred out of those accounts into the capital projects account.

Mr. ROTH. Yes, it would.

Mr. KASICH. And the capital projects account has functioned very inefficiently under the AID Program. So, we are giving the AID people the ability to take $600 million more than what the administration requested to hypothetically spend it on projects, for example; in Egypt. They put this telephone line over there in Egypt, and the whole thing has been an absolute bust that has been sponsored by the AID people, and so what we are attempting to do—I mean we want to work—the gentleman from Washington and I want to work with the gentleman on the issue of buy American. But we do not want to give the AID capital projects people an opportunity to have $600 million more to spend, particularly when it is possible for that money to be taken from places like Eastern Europe.

The CHAIRMAN pro tempore (Mr. MCNULTY). The time of the gentleman from Ohio [Mr. KASICH] has expired.

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

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

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

Mr. GEJDENSON. Mr. Chairman, it is not a separate account. It simply urges them to use the funds for capital projects.

So, I think the gentleman from Ohio [Mr. KASICH] misunderstands his reading or my explanation of the bill. What this simply does is urges the administration to use it for capital projects rather than just handing over the dough.

Mr. KASICH. Mr. Chairman, let me say that we are supposed to have foreign aid structured in such a way that it goes to the benefit of those countries and those people who have problems.

Now, if we are arguing that the ESF funding is wasteful, then we ought not to be transferring that money to the AID section.

Mr. GEJDENSON. No, it does not go to the AID section. It urges that it be used within its existing section for capital projects. Because we get better control of it that way rather than hoping they will use the money for the right thing.

Mr. KASICH. But the gentleman just makes our whole point on the whole

question of where this foreign aid is going. If the gentleman is saying that we have better control on the capital projects, then that implies that the ESF funding is wasteful.

Furthermore, the capital projects account is no box of chocolates because under the capital projects account they are building all these big monstrosities that governments can point to as being something positive, and, if we take the phone system in Egypt, it is an absolute disaster over there that was built out of the capital funds account.

Now what I suggest to the gentleman is we want to work with him to solve this problem, but we do not think this is the way to solve it, to permit that transfer authority, and I would say to my colleagues who are watching this debate who support foreign aid, the gentleman from Texas [Mr. DELAY], the gentleman from Washington [Mr. MILLER], and myself, we have voted for the foreign aid bills, but we maintain that foreign aid in many sections is really inefficient and wasteful.

What I suggest we do is to adopt the amendment offered by the gentleman from Washington [Mr. MILLER] to not permit the capital account to expand by $600 million, and let us make foreign aid efficient.

This is just one in a long series of amendments that we intend to offer to permit foreign aid, but to channel it in the right direction to make sure that the taxpayers' money is spent efficiently.

Mr. Chairman, I urge support of the Miller amendment.

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

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington [Mr. MILLER].

Mr. Chairman, we are all familiar with the dilemma of the car that leaks oil. We have two options. We spend our money to continuously pour oil into the engine and drive it for as long as that works or we pay a mechanic to fix the leak.

What we do not do, Mr. Chairman, upon finding out that our car is leaking oil is plunk big bucks down to put in leather upholstery.

Without getting into the debate over the vision of AID, there's no question that its engine is broke. It's leaking wasteful puddles of taxpayer dollars from every cylinder and gasket. I'd be happy enough just to see AID do a barely adequate job with the responsibilities it currently has.

What purpose can we serve by plunking down $650 million to give it additional responsibilities? The AID administration itself admits it is not capable, at this time, of handling this amount of money for capital projects in an efficient manner.

But more to the point, Mr. Chairman, what are we hoping that this capital project funding will accomplish for us? Increased exports? History shows capital project funding has had no such result.

Mr. Chairman, off the top of my head I could name a dozen projects from prenatal care to elderly health care and from economic enterprise zones to law enforcement where this more than a half billion dollars is much more desperately needed and could be more effectively used by Government assets that have not proven themselves clearly inefficient and unreliable.

□ 1600

Pouring this money into the leaking, grinding transmission of AID is wasteful and irresponsible.

Mr. Chairman, I just urge Members to support the Miller amendment to bring funding for the Capital Projects Office down to the amount requested.

Mr. KASICH. Mr. Chairman, is it not true in the Agency for International Development there is one supervisor for every three workers within that agency?

Mr. DELAY. I am not advised as to that, but if the gentleman says so, I am sure it is true.

Mr. KASICH. That is what leads to the report by the administration that indicates, and I say it again, the foreign assistance program suffers from serious and persisting management problems.

Mr. Chairman, it is inconceivable to me that we will continue to march down the road of supporting foreign aid bills without correcting and applying a tourniquet to those sections of the foreign aid bill that in some respects are literally counterproductive to the mission that the United States has established under foreign aid. This is one area where we want to work with the committee to try to fix these sections of the bill that are bleeding taxpayer dollars.

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

Mr. DELAY. I will be glad to yield to the gentleman from Pennsylvania.

Mr. SANTORUM. Mr. Chairman, what I would say to the gentleman is, No. 1, I want to congratulate the gentleman from Washington [Mr. MILLER] for this amendment. It is an excellent amendment and very timely in this time when we are trying to focus in on America's needs.

I would ask the gentleman from Washington [Mr. MILLER] is it not true that 35 people from AID have been indicted as a result of wrongdoing with respect to this agency?

Mr. MILLER of Washington. Mr. Chairman, if the gentleman will yield, yes, in the last 2 years there has been that number of indictments of AID employees or contract employees. There are administrative problems there. I think that agency recognizes it and that is why they are saying do not give us this $600 million now.

Mr. SANTORUM. Mr. Chairman, if the gentleman will yield further, we have an agency having trouble with their management, obviously, having serious problems, and what we are trying to do here is give them more responsibility. That does not seem to make a lot of sense.

Mr. Chairman, I encourage support of the amendment.

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

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

Mr. GEJDENSON. Mr. Chairman, it seems to me we ought to focus on what is before us. No. 1, it is not $600 million and it is not a new authorization.

Mr. Chairman, it is humid outside and there is going to be rain, but that does not have anything to do with the bill and the amendment that is before us.

Let me read Members the language in the bill. The Congress strongly urges the President to use at least $650,000, which is $200,000 roughly more, $150,000, depending on the number for 1992, and $700,000——

Mr. DELAY. Mr. Chairman, I think the gentleman means millions, not thousands, $650 million.

Mr. GEJDENSON. $650 million for fiscal year 1992 of existing funds. These are not new funds.

Mr. DELAY. Mr. Chairman, reclaiming my time, if they are existing funds that can be shifted, then we could probably save twice as much. If they are funds that you can give up to put into an inefficient program that we do not want and the agency does not want, that means there is even more money we could save.

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

Mr. Chairman, let me first say that there are few Members in this chamber for whom I have more respect than the gentleman from Washington [Mr. MILLER], because the gentleman understands legislation. I do not remember the last time I disagreed with my friend from Washington, but I must say I will have to on this amendment, for this reason.

The Miller amendment does nothing to save taxpayer dollars. Let us get that straight. Second, it allows business as usual in foreign aid. I am very much opposed to that.

Our bill cuts $1.3 billion out of the most wasteful parts of foreign aid, and I think that is our goal. That is what we are trying to do.

Mr. Chairman, I must agree with the chairman of the subcommittee. We have to look at the amendment before us. The Miller amendment would virtually destroy one of the most important provisions of this bill, and that is the buy America requirement for foreign aid.

By golly, if we are going to have foreign aid, at least let us make them buy

our products. That has not been the case up to now.

Under this bill $1.3 billion would be taken away from the economic support fund of AID and allocated to building capital projects like public works, roads, and other construction projects where our companies can participate.

Our bill requires that this $1.3 billion be spent only on American contractors, on American workers, on American goods and equipment. This is the first honest-to-goodness buy America requirement that has been imposed on foreign aid, and I say it is about time.

One of the reasons why this is so important is that the $1.3 billion is taken from three accounts in AID where there is the most flagrant waste.

Yes, I am opposed to the way AID has been handled. Who isn't? What we are doing is taking the money away from the three most flagrant accounts, the economic support fund, the Philippine multilateral assistance initiative, and the SEED Program for Eastern Europe.

These are the accounts that are now used primarily to prop up foreign governments. What we are now doing is giving them cash. What our bill says is that instead of giving them foreign aid, money that is wasted, we want them to use these funds to at least buy our products and to hire our contractors.

So what we have done in our bill is take $1.3 billion out of these accounts where the worst waste occurs and require that it be used for capital projects, not payoffs to foreign governments. And we require that American companies and American workers get contracts for the projects.

For me, our bill brings $1.3 billion of taxpayer money back home to Americans, instead of seeing it lining the pockets of foreign officials.

Now, what the Miller amendment does is to reduce the $1.3 billion set-aside to just $200 million. In other words, this amendment takes more than $1 billion in U.S. taxpayer money and gives it back to the foreign governments, instead of having it spent on contracts and jobs for Americans.

That is why I am asking Members to vote down the Miller amendment. There is simply no reason for supporting the amendment. If my colleagues are upset with foreign aid waste, as I am, then vote against the amendment and vote to keep the buy America requirement in this bill.

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

Mr. Chairman, I know that the amendment is well intentioned, but it does not do what it says it is going to do. The fact is that right now out of ESF or development assistance, if you are going to transfer the money someplace else, I do not know that you have accomplished anything. You do not add anything to money that has already been appropriated. It has already been appropriated. So what we are talking about is shifting it or putting conditions on it.

Now, what we do here in this legislation is simply put the conditions on 60 percent of ESF funds that otherwise would go to straight budgetary support. That is part of the program now. You have a piece of it that goes to development assistance, and another piece, 10 percent or less, goes someplace else. So, not to have the ESF money conditioned in the way the bill does, is a mistake.

Mr. Chairman, what is done with the amendment is simply to open it up and put it back the way it was by shifting the account. Absolutely nothing is accomplished that way. If you had some kind of a condition on the appropriation, maybe I could understand what the gentleman was trying to do. But the way it is right now I cannot see where the amendment accomplishes a thing except to mess up this bill.

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

Mr. Chairman, I yield to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, I want to briefly respond to some arguments that have been made.

Some Members have said that there is waste in ESF, economic support funds, or waste in the Eastern European democracy funds. It there is waste there, then cut it. If there is waste in the peace for El Salvador process, which is also eligible for the transfer of funds here, cut it. I do not think that there is waste in all these programs that is being alleged, but if there is, cut it.

Mr. Chairman, that is not an excuse to pour another $600 million into an account where a beleaguered agency is saying we cannot spend it.

If there is one way to be sure of waste and inefficiency, it is to pour money into an account for an agency that says they cannot spend it efficiently.

Mr. Chairman, are we losing our senses where we try to give money to an agency plagued with administrative problems, plagued with indictments, and the agency says "We can't spend the money efficiently," so we do it anyway and cover it with buy American provisions and a lot of other things?

That does not excuse creating waste in foreign aid. That does not excuse focusing our foreign aid program on wasteful capital projects when it ought to be focused on alleviating poverty and promoting free enterprise.

□ 1610

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

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

Mr. GEJDENSON. Mr. Chairman, the gentleman does understand that most of ESF is simply funds we shove into a country to make up for capital flight. Their rich people take the money out of the country so American taxpayers just send the money in there to stabilize their currency half the time.

What we want to do with that money is, instead of just giving it to the country, and if that gentleman wants to see waste, it seems to me there is a lot less waste when we are buying an American product and providing a water system or a sewer system that the people really need rather than handing them the cash.

That is the choice here. You do not save a dollar of taxpayer money.

The question is, Do we actually do something with it or give it to the other government and hope they do something with it.

Mr. MILLER of Washington. Mr. Chairman, if the gentleman will continue to yield, if we look at ESF projects around the world, we can find good projects, we can find bad projects. If there are bad projects, then condition those projects or cut those projects. Do not shove $600 million out the door on projects that have the worst record in foreign aid, these big capital projects, upon an agency and an administration that does not want the money.

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

Mr. SANTORUM. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I cannot believe my ears today, that I am hearing from Members familiar with the ESF Program that we are essentially putting cash in people's pockets. We are sending money over there so they can take money out of their country, capital flight. That is what this ESF Program is all about, and the Congress of this United States continues to support these kind of programs? And we cannot get an authorization bill on this floor to correct these programs? This is unbelievable.

The gentleman has just given us the fodder to go after the ESF programs next year.

In addition to fixing the problems with the capital programs, the point of this is, our foreign aid program, which is designed to help people around the world stabilize themselves, thus benefiting us, is bleeding. It is not working. It is fraught with waste, fraud, and abuse.

We are not doing anything about it, and we ought to get it fixed, aside from this debate.

I hope that next year the gentleman from Connecticut will work with us to try to fix these particular parts of the foreign aid program.

Mr. GEJDENSON. Mr. Chairman, if the gentleman will continue to yield, there is no question in my mind that the last 12 years of management of the foreign aid budget at the executive level has been terrible. We do hope that

we will be able to fix it after November.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MILLER].

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

RECORDED VOTE

Mr. MILLER of Washington. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 184, noes 230, not voting 20, as follows:

[Roll No. 367]

AYES—184

Allard
Allen
Archer
Armey
Atkins
AuCoin
Ballenger
Barrett
Barton
Bateman
Bennett
Bentley
Bilirakis
Bliley
Boehlert
Boehner
Browder
Burton
Camp
Carper
Carr
Chandler
Clinger
Coble
Combest
Condit
Coughlin
Cox (CA)
Cramer
Cunningham
Dannemeyer
Davis
DeLay
Dicks
Donnelly
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Durbin
Early
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goss
Gradison
Green
Guarini
Gunderson
Hall (TX)
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Herger
Hoagland
Hobson
Holloway
Hopkins
Horn
Horton
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Jacobs
James
Johnson (SD)
Johnson (TX)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Klug
Kolbe
Kyl
LaFalce
Lagomarsino
Lancaster
Leach
Lent
Levine (CA)
Lewis (FL)
Lowery (CA)
Luken
Machtley
Marlenee
Martin
Mazzoli
McCandless
McCollum
McCrery
McDade
McDermott
McEwen
McHugh
Miller (OH)
Miller (WA)
Molinari
Moorhead
Myers
Nichols
Nussle
Obey
Oxley
Packard
Parker
Patterson
Paxon
Penny
Peterson (MN)
Petri
Pickle
Porter
Pursell
Ramstad
Ravenel
Ray
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rohrabacher
Rostenkowski
Santorum
Sarpalius
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Sensenbrenner
Shays
Shuster
Sikorski
Skaggs
Skeen
Slattery
Slaughter
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stallings
Stark
Stenholm
Studds
Stump
Tanner
Taylor (NC)
Thomas (GA)
Thomas (WY)
Thornton
Upton
Valentine
Vento
Visclosky
Vucanovich
Walker
Weber
Weldon
Williams
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—230

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Aspin
Bacchus
Baker
Beilenson
Bereuter
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Chapman
Clay
Clement
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Cooper
Costello
Cox (IL)
Coyne
Crane
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dingell
Dixon
Dooley
Downey
Duncan
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gallo
Gejdenson
Gephardt
Gibbons
Gonzalez
Goodling
Gordon
Grandy
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hayes (IL)
Hefner
Henry
Hertel
Hochbrueckner
Houghton
Hoyer
Hutto
Jefferson
Jenkins
Johnson (CT)
Johnston
Jones (GA)
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McGrath
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Pickett
Poshard
Price
Quillen
Rahall
Rangel
Reed
Regula
Richardson
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Schumer
Sharp
Shaw
Sisisky
Skelton
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
Staggers
Stearns
Stokes
Sundquist
Swett
Swift
Synar
Tallon
Tauzin
Taylor (MS)
Thomas (CA)
Torres
Torricelli
Towns
Traficant
Unsoeld
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron

NOT VOTING—20

Alexander
Anthony
Barnard
Broomfield
Conyers
Dickinson
Edwards (OK)
Ford (TN)
Gaydos
Hatcher
Ireland
Kolter
Lloyd
Morrison
Roe
Schulze
Serrano
Traxler
Vander Jagt
Volkmer

□ 1635

Mr. ROWLAND and Mr. CAMPBELL of Colorado changed their vote from "aye" to "no."

Messrs. ATKINS, STARK, OXLEY, SIKORSKI, HOAGLAND, RAY, STENHOLM, GLICKMAN, and HALL of Texas changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. (Mr. MCNULTY). Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—UNITED STATES COMMERCIAL CENTERS

SEC. 401. UNITED STATES COMMERCIAL CENTERS.

(a) ESTABLISHMENT.—The Secretary of Commerce, in his or her role as Chair of the Trade Promotion Coordinating Committee, shall establish, as a 5-year pilot program, a United States Commercial Center (hereinafter in this section referred to as a "Center") in one of the independent states of the former Soviet Union or one of the Baltic states, in one country in Asia, and in one country in Latin America.

(b) PURPOSE OF THE CENTERS.—The purpose of the Centers shall be to provide additional resources for the promotion of exports of United States goods and services to the host countries, by familiarizing United States exporters with the industries, markets, and customs of the host countries, thus facilitating commercial ties and trade.

(c) FUNCTIONS OF THE CENTERS.—Each Center shall—

(1) collect and publish economic and market data with respect to the host country;

(2) provide, on a user-fee basis, preliminary technical and clerical assistance, language translation, and administrative assistance, and information regarding the legal systems, laws, regulations, and procedures of the host country, to United States exporters seeking to do business in the host country; and

(3) in other ways promote exports of United States goods and services to the host country.

(d) SPECIFIC SERVICES TO BE PROVIDED.—To carry out its objectives, each Center shall make available the following (on a user-fee basis):

(1) BUSINESS FACILITIES.—Business facilities, including exhibition space, conference rooms, office space (including telephones and other basic office equipment), and, where warranted by impeding deficiencies in the public system, high quality international telecommunications facilities.

(2) BUSINESS SERVICES.—Business support services, including language translation services, clerical services, and a commercial library containing a comprehensive collection of reference materials covering United States and host country industries and markets.

(3) COMMERCIAL LAW INFORMATION SERVICES.—Commercial law information services, including—

(A) a clearing house for information regarding the relevant commercial laws, practices, and regulations of the host country;

(B) publications to assist United States businesses;

(C) legal referral services; and

(D) lists of local agents and distributors.

(e) OTHER TRADE PROMOTION ACTIVITIES.—Each Center shall also promote United States export trade by—

(1) facilitating contacts between buyers, sellers, bankers, traders, distributors, agents, and necessary government officials from the United States and the host country;

(2) coordinating trade missions; and

(3) assisting with applications, contracts, and clearances for imports into the host country and exports from the United States.

(f) STAFFING OF CENTERS.—

(1) IN GENERAL.—Each Center shall be staffed by members of the United States and Foreign Commercial Service, participants in the Market Development Cooperator Program established under section 2303 of the Export Enhancement

Act of 1988 (15 U.S.C. 4723), other employees of the Department of Commerce, employees of appropriate executive branch departments and agencies which are members of the Trade Promotion Coordinating Committee, and Foreign Trade Fellows appointed pursuant to paragraph (2).

(2) FOREIGN TRADE FELLOWS.—The Secretary of Commerce shall appoint United States citizens as Foreign Trade Fellows to assist United States Government employees in staffing the Centers. The Secretary shall actively recruit individuals to serve as Foreign Trade Fellows from United States businesses, trade associations, labor unions, and the academic community. In order to facilitate the service of individuals (such as those from the academic community and smaller businesses) as Foreign Trade Fellows, the Secretary may make grants or provide stipends to Foreign Trade Fellows and may reimburse them for expenses they incur as the result of their service as Foreign Trade Fellows.

(g) CENTER FACILITIES AND THEIR RELATIONSHIP TO UNITED STATES DEPARTMENT OF COMMERCE OPERATIONS IN HOST COUNTRIES.—

(1) PHYSICAL ACCOMMODATIONS FOR THE CENTERS.—The Secretary of Commerce shall locate each Center in the primary commercial city of the host country. The Secretary shall acquire office space, exhibition space, and other facilities and equipment that are necessary for each Center to perform its functions. To the extent feasible, each Center shall be located in the central commercial district of the host city.

(2) CONSOLIDATION OF DEPARTMENT OF COMMERCE OPERATIONS IN HOST COUNTRIES.—For the purpose of obtaining maximum effectiveness and efficiency and to the extent consistent with the purposes of the Centers, the Secretary of Commerce is authorized and encouraged to place all personnel of the Department of Commerce who are assigned to the city in which a Center is located in the same facilities as those in which the Center conducts its activities. The Secretary is authorized and encouraged to integrate activities of the Department of Commerce in the host country.

(h) USE OF MARKET DEVELOPMENT COOPERATOR PROGRAM.—The Secretary of Commerce shall, to the greatest extent feasible, use the Market Development Cooperator Program established under section 2303 of the Export Enhancement Act of 1988 (15 U.S.C. 4723) to assist in carrying out the purposes of the Centers established under this section.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Commerce to carry out this section $6,000,000 for fiscal year 1993, and $4,000,000 for each of the fiscal years 1994, 1995, 1996, and 1997. Funds made available under this subsection may be used for the acquisition of real property.

(j) REPORTS TO CONGRESS.—The Secretary of Commerce shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, not later than 1 year after the date of the enactment of this Act, and not later than the end of each 1-year period occurring thereafter, a report on the status, activities, and effectiveness of the Centers. Each such report shall include any recommendations with respect to the pilot program established under this section.

(k) DEFINITIONS.—For purposes of this section—

(1) the term "United States exporter" means—

(A) a United States citizen,

(B) a corporation, partnership, or other association created under the laws of the United States or of any State,

(C) a foreign corporation, partnership, or other association, more than 95 percent of which is owned by persons described in subparagraphs (A) and (B),

that exports, or seeks to export, goods or services produced in the United States;

(2) the term "State" means any of the several States, the District of Columbia, or any commonwealth, territory, or possession of the United States; and

(3) the term "United States" means the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

PARLIAMENTARY INQUIRY

Mr. GEJDENSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GEJDENSON. Mr. Chairman, how much time is remaining?

The CHAIRMAN. There is a total of 18 minutes of debate time remaining.

Mrs. MEYERS of Kansas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to commend Chairman GEJDENSON and ranking member ROTH for their focus on export promotion. This is an important issue not often addressed by Congress.

While the Federal Government does provide some useful support to U.S. exporters, we can and should do more.

In my view, the creation of four new commercial centers in title IV of H.R. 4996 is a further step in the goal of making American small- and medium-sized companies more competitive in the global market.

The point needs to be made, however, the United States and foreign commercial service does not have $6 million to spend on the three proposed commercial centers at present. If enacted, the bill must be accompanied by additional new appropriations for the commercial service.

If new funds are not appropriated, the $6 million will have to come out of existing programs. And these existing programs cannot be sustained with the funding the House has provided for export promotion. The House-passed Commerce-Justice-State appropriations bill provides the International Trade Administration with a reduction in export promotion funds. If this funding is not increased, the United States and foreign commercial service will have to be closed in over 30 countries.

By way of example, in Europe, the total cost of commercial service operations in key countries such as England, France, and Italy is $5.8 million.

In Asia, the total cost of their operation in Japan, Hong Kong, and Korea is $6.4 million.

In the Western Hemisphere, the total cost of operations for such key countries as Canada, Mexico, Argentina, and Brazil is $6.6 million.

Let me assure my colleagues that I am not seeking to oppose the creation of U.S. commercial centers, but we have to make the responsible choice to provide the necessary funding to back up our commitments.

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

Mrs. MEYERS of Kansas. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I would like to announce that a number of Members have asked about the schedule. We have one more amendment, an amendment to be offered by the gentleman from Nebraska [Mr. BEREUTER], which we will accept, and then we will go to final passage. We do not anticipate a vote on final passage, but there will be a vote, as I understand it, on a suspension that was delayed from yesterday.

Mr. Chairman, I thank the gentlewoman for yielding.

□ 1640

The CHAIRMAN pro tempore (Mr. MCNULTY). The Clerk will designate title V.

The text of title V is as follows:

TITLE V—OTHER EXPORT PROMOTION ACTIVITIES

SEC. 501. ADDITIONAL PROCUREMENT OFFICERS.

(a) APPOINTMENT.—The Secretary of Commerce shall appoint one or more full-time additional procurement officers to promote exports of goods and services from the United States by doing the following:

(1) Acting as the liaison between the business community and one or more multilateral development banks, whether or not the banks have offices in the United States. The Secretary of Commerce shall ensure that the procurement officer has access to, and disseminates to United States businesses, information relating to projects which are being proposed by the multilateral development bank involved, and bid specifications and deadlines for projects about to be developed by the bank. The procurement officer shall make special efforts to disseminate such information to small- and medium-sized businesses interested in participating in such projects. The procurement officer shall explore opportunities for disseminating such information through private sector, nonprofit organizations.

(2) Taking actions to assure that United States businesses are fully informed of bidding opportunities for projects for which loans have been made by the multilateral development bank involved.

(3) Taking actions to assure that United States businesses can focus on projects in which they have a particular interest or competitive advantage, and to permit them to compete and have an equal opportunity in submitting timely and conforming bidding documents.

(b) DEFINITION.—As used in this section, the term "multilateral development bank" has the meaning given that term in section 1701(c) of the International Financial Institutions Act (22 U.S.C. 262r(c)).

AMENDMENT OFFERED BY MR. BEREUTER

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

The Clerk read as follows:

Amendment offered by Mr. BEREUTER: Add the following new title at the end of the bill:

TITLE VI—BASIC INFRASTRUCTURE FOR DEVELOPMENT

SEC. 601. CAPITAL PROJECTS FOR POVERTY ALLEVIATION AND ENVIRONMENTAL SAFETY AND SUSTAINABILITY.

(a) PURPOSES.—The Administrator of the Agency for International Development shall develop a program, in accordance with subsection (b), that focuses on developmentally sound capital projects for basic infrastruc-

ture that will measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level, taking into consideration development needs of the host country and export opportunities for services and goods from the United States.

(b) ACTIVITIES OF AID.—In order to carry out subsection (a), the Administrator of AID shall, working with AID technical support staff, regional bureau staff, and country missions, identify and provide funding for capital projects to alleviate the worst manifestations of poverty or to promote environmental safety and sustainability at the community level in countries receiving assistance under the Foreign Assistance Act of 1961. Such projects may include basic sanitation systems, basic water supply and treatment, pollution control, and rural infrastructure benefiting poor communities or establishing environmentally sustainable patterns of rural development. Such projects should have measurable positive effects on indicators of human and environmental health.

SEC. 602. COORDINATION.

The President shall utilize the existing interagency coordination mechanism to coordinate activities under this title with other relevant activities of the United States Government.

SEC. 603. REPORTS TO CONGRESS ON CAPITAL PROJECTS.

Not later than February 1, 1993, and each year thereafter, the President shall submit to the Congress a report describing the extent to which United States Government resources have been expended specifically to support capital projects under this title.

SEC. 604. DEFINITIONS.

For purposes of this title—

(1) the term "AID" means the Agency for International Development; and

(2) the term "capital project" means a project involving the construction, expansion, alteration of, or the acquisition of equipment for, a physical facility or physical infrastructure, including related engineering design (concept and detail) and other services, the procurement of equipment (including any related services), and feasibility studies or similar engineering and economic studies.

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

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Chairman, the amendment I am offering is based on the fact that U.S. development assistance activities that meet the most basic needs of the poorest people in the world and improve environmental safety and sustainability are also good for U.S. jobs and exports, particularly exports of services in the form of technical engineering expertise.

The Agency for International Development needs a more systematic program focused on direct linkages between capital projects at the community level and alleviation of poverty and environmental degradation. I am talking about clean water supplies so that 2 million people do not die of diarrhea each year—as they do today. I am talking about sanitation, including sewage treatment, that can keep water supplies unpolluted and healthy. I am talking about roads to transport food from villages to market towns. I am talking of environmental improvement projects for small industry in poor countries.

The amendment requires the AID Administrator to direct AID's existing capital projects activities toward the types of basic infrastructure necessary to alleviate poverty or create environmental safety and sustainability in AID-recipient countries. The amendment will add a new title which is similar and complementary to the existing title III of H.R. 4996. Title III deals with the types of capital projects that must be funded out of nondevelopment assistance resources; this Member's proposed new title will focus on requiring the development of a systematic program of small scale, community based capital projects for water supply and treatment, sewage collection and treatment and various environmental improvements that we need to emphasize at the core of our development assistance funding. It is infrastructure which benefits the poor and the environment. The amendment requires the development of a systematic program and reporting the Congress on the basic infrastructure activities undertaken; It does not specify or earmark funding amounts of sources.

The American Consulting Engineers Council [ACEC], the leading trade association representing over 4,500 U.S. firms, strongly endorse this amendment and with good cause. Projects like those eligible under my amendment have provided enormous benefits to the most needy people in developing countries while providing their many U.S. firms the opportunity to work and make export sales. American firms not only lead the world in sophisticated engineering and environmental technology, but are equipped and active in providing appropriate technology for the specific needs of poor communities in poor countries. Their expertise is used in joint ventures with local engineering firms in developing countries to provide clean drinking water and sewage treatment to control disease, irrigation and rural roads for poor areas, and systems to process and handle solid and hazardous wastes which are environmental hazards, among other projects. Exports from the United States of engineering, consulting, design, and construction services and goods are in the billions of dollars annually. American member firms are already actively engaged in many such basic infrastructure development projects, some of them financed by AID, such as the water and sanitation for health [WASH] project.

The needs and potential market for U.S. expertise are enormous: the World Bank's 1992 world development report on environment and development just released in mid-May points out that, more than 1 billion people are still without access to safe water and 1.7 billion people are without access to adequate sanitation facilities. These are the major environmental problems that directly damage human health worldwide. Capital projects are also needed to remedy environmental damage, to apply known technologies to reduce pollution from energy and industry, and to establish standards for environmentally sound infrastructure—rural and urban, agricultural and industrial.

I would like to clarify that this amendment does not preclude AID from investing in other types of capital projects, such as telecommunications, or from cooperating with other U.S. Government agencies such as Eximbank to fight unfair tied aid credit practices in spoiled markets. These are the subjects addressed in another title of the bill. This amendment does require that major attention be paid by AID to developing a program of capital projects that contribute directly to poverty alleviation and to environmental sustainability—projects for basic needs in poor countries which create jobs in this country.

Mr. Chairman, I understand that the chairman and the ranking member are willing to accept this amendment.

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

Mr. BEREUTER. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, as the gentleman from Nebraska [Mr. BEREUTER] often does, he has made an excellent addition to this bill, and from this side we support it.

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

Mr. BEREUTER. I am happy to yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, we accept this amendment, because it clarifies that, under our bill, development assistance funds continue to be used for capital projects, and this amendment is consistent with the intent of the bill and clarifies the language. It is a good amendment, and we accept it.

Mr. BEREUTER. Mr. Chairman, I thank the distinguished gentleman from Wisconsin.

Now, if I could engage the chairman in a brief colloquy, is it the gentleman's understanding that it is not the intent of title III to disallow the use of development assistance funds for the types of basic infrastructure capital projects addressed in this amendment; namely, those that directly address basic human needs and environmental safety and sustainability at the community level? The report language on H.R. 4996, section 306 may be construed to imply that when it states that "this prohibition, on the use of development

assistance funding, reflects the committee's intention not to raid the account traditionally set aside for the purpose of this section. The committee intends to protect that money so it can be used for basic human needs." Therefore, in caution, this Member would respectively ask if it is the intent of title III to allow development assistance accounts to continue to fund basic infrastructure and capital projects that are directly meeting basic human needs, such as in the program to be developed as proposed by this amendment.

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

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

Mr. GEJDENSON. Mr. Chairman, it was never our intention to end basic infrastructure projects which serve basic human needs—like clean water. The prohibition on using development assistance funds was placed in that section of the bill because title III primarily concerns large scale capital projects. I agree with my colleague that there is a need for small scale infrastructure overseas. I think we would also agree that development assistance funds should be used only in projects that directly serve to alleviate the worst aspects of poverty. Large scale projects, like an energy plant that will serve an entire city, should not be funded by development assistance dollars.

I am glad we had this opportunity for this exchange.

Mr. Chairman, I would like to take one moment to commend the gentleman again for his efforts on the Initiative for the Americas in that that is an additional excellent addition to the bill that will get the principal back for the American taxpayers and use the interest for projects that are generally supported.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for that compliment and also for the expression of legislative intent.

I urge my colleagues to support the amendment.

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

Mr. Chairman, I will be very brief.

Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Nebraska [Mr. BEREUTER].

AID's emphasis should be on alleviating poverty and promoting free enterprise to help underdeveloped countries, and the best means of achieving these goals is through small projects such as microenterprise lending or basic education programs.

However, if we are going to insist on doing capital projects, which I do not think we should do, but given the vote on the last amendment, that is what we are going to do, let us at least ensure that these capital projects work toward the achievement of development in alleviating poverty.

This amendment offered by my colleague, the gentleman from Nebraska, at least goes part way toward that goal. I commend him for the amendment and urge its adoption.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there other amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. FAZIO. Mr. Chairman, I rise in support of the bill and want to commend the gentleman from Connecticut [Mr. GEJDENSON] and the gentleman from Wisconsin [Mr. ROTH] for their efforts in bringing this bill before the House.

The Jobs Through Exports Act will lay the groundwork for creating new markets overseas for U.S. businesses and creating jobs for American workers. Being competitive overseas will make or break us in the future. Our economy is becoming increasingly dependent on the international marketplace.

Since 1988, 70 percent of our economic growth has come from exports. In 1991, we sent a total of $422 billion in goods and services overseas, which supports 2 million jobs here at home.

My home State of California is also poised to take advantage of export growth. We are geographically located to take advantage of the two regional international markets that hold the most promise in the coming decade—Latin America and Asia.

Fifteen percent of all good exported by the United States in 1991 came from California. That means that one out of every seven jobs created by exports are created in California.

Clearly, expanding existing foreign markets and creating new ones will have tremendous benefits for our national economy. H.R. 4996 starts this process by reauthorizing the Overseas Private Investment Corporation [OPIC]. OPIC helps U.S. companies find investment opportunity overseas, provides loans and loan guarantees to finance these investments, and offers insurance to protect these investments. OPIC does this all under the proviso that such investments do not cause job losses in the United States. And, OPIC's record demonstrates that this program works. In 1991 alone, OPIC's overseas activities created over 13,000 American jobs.

H.R. 4996 also expands the role of the new Trade and Development Agency in order to place greater emphasis on opening markets for U.S. exports in developing countries. For example, the Trade and Development Agency would provide technical assistance grants to U.S. firms in order to get U.S. consultants involved in the planning stages of multilateral development bank projects. It has already been demonstrated that when U.S. consultants are involved in these planning stages, U.S. firms have greater success in winning contracts for projects financed by the development banks.

All in all, Mr. Chairman, the Jobs Through Exports Act holds tremendous promise for California and the United States. With passage of this bill, we have an opportunity to counter similar export enhancement efforts now undertaken by our foreign competitors. We need this legislation to help level the playing field with Japan and the European Community. I strongly urge my colleagues to support the Jobs Through Exports Act.

Mr. FRANKS of Connecticut. Mr. Chairman, I rise in support of H.R. 4996, the Jobs Through Exports Act of 1992. The reauthorization of the Overseas Private Investment Corporation [OPIC] is essential, but it must be done before September 30, when its current authorities expire. Last year OPIC created over 13,000 jobs. By delaying this legislation, we delay the creation of even more jobs.

OPIC plays an essential role in the United States efforts to assist in the rebuilding of Eastern and Central Europe. As the world grows smaller, it is important for us to recognize what contributions the United States needs to make to assist emerging democracies.

Similarly, we must recognize the importance of exporting to American businesses. Exports have served as an engine of growth for our economy. In 1991, exports directly supported 7.2 million American jobs and reduced the United States trade deficit by a third. By providing capital, technology, and training to developing countries, OPIC is able to create new trading partners. This in turn, opens up new markets for U.S. exports and creates jobs.

However, I am concerned with the fact that we are reauthorizing OPIC for only 3 years as opposed to the requested 5. I think we are tying OPIC's hands because 3 years is not a sufficient amount of time to plan and manage their operations. The demand on OPIC is growing every day as new democracies begin to request assistance from them, and a 3-year authorization is inadequate.

Mr. Chairman, in conclusion, I would just like to stress the importance of OPIC and the contributions it makes to our economy. During economically strained times, we should promote strong and sound programs that will encourage growth.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GEPHARDT] having assumed the chair, Mr. MCNULTY, Chairman pro tempore 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. 4996) to extend the authorities of the Overseas Private Investment Corporation, and for other purposes, pursuant to House Resolution 489, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee amend-

ment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4996, the bill just passed.

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

There was no objection.

COMMUNICATION FROM THE HONORABLE JOE KOLTER, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable JOE KOLTER, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 5, 1992.

Speaker THOMAS FOLEY,
House of Representatives, The Capitol, Washington, DC.

DEAR MR. SPEAKER: On July 31, 1992 I informed you, pursuant to Rule L (50) of the Rules of the House, that certain employees of my office had been served with subpoenas issued by the United States District Court for the District of Columbia. In consultation with counsel it has been determined that compliance with such subpoenaes would not be inconsistent with the precedents and privileges of the House.

Sincerely,

JOE KOLTER,
Member of Congress.

□ 1650

RURAL ELECTRIFICATION ADMINISTRATION IMPROVEMENT ACT OF 1992

The SPEAKER pro tempore (Mr. GEPHARDT). The unfinished business is the question of suspending the rules and passing the bill, H.R. 5237, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 5237, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—ayes 359, nays 60, not voting 15, as follows:

[Roll No. 368]

YEAS—359

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Bacchus
Baker
Ballenger
Barrett
Barton
Bateman
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CO)
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Cooper
Costello
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Herger
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kildee
Kleczka
Klug
Kolbe
Kopetski
Kostmayer
Kyl
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Mfume
Michel
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Schaefer
Schiff
Schroeder
Serrano
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Vucanovich
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)
Zeliff

NAYS—60

Archer
Armey
Atkins
Bellenson
Bentley
Campbell (CA)
Cardin
Coughlin
Cox (CA)
Crane
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Fawell
Frank (MA)
Franks (CT)
Gradison
Henry
Inhofe
Ireland
Jacobs
James
Johnson (TX)
Kennelly
Lagomarsino
McCandless
McCollum
Meyers
Miller (OH)
Miller (WA)
Molinari
Moorhead
Murphy
Nowak
Packard
Porter
Pursell
Reed
Riggs
Rinaldo
Ritter
Rohrabacher
Santorum
Saxton
Scheuer
Schumer
Sensenbrenner
Shays
Slaughter
Solomon
Stearns
Stump
Walker
Walsh
Wylie
Young (FL)
Zimmer

NOT VOTING—15

Barnard
Broomfield
Conyers
Dickinson
Edwards (OK)
Fascell
Ford (TN)
Hatcher
Hertel
Kolter
Roe
Sabo
Schulze
Traxler
Volkmer

□ 1713

Mr. SCHUMER and Mr. DREIER of California changed their vote from "yea" to "nay."

Messrs. ORTIZ, PAXON, and SMITH of Texas changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4394, REQUIRING MERCHANT MARINERS' DOCUMENTS FOR CERTAIN SEAMEN

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102–784) on the resolution (H. Res. 540) providing for the consideration of the bill (H.R. 4394) to amend title 46, United States Code, to require merchant mariners' documents for certain seamen, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5466, AIRLINE COMPETITIVENESS ENHANCEMENT ACT

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-785) on the resolution (H. Res. 541) providing for the consideration of the bill (H.R. 5466) to amend the Federal Aviation Act of 1958 to enhance competition among air carriers by prohibiting an air carrier who operates a computer reservation system from discriminating against other air carriers participating in the system and among travel agents which subscribe to the system, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 246 RELATION OF TRADE AGREEMENTS TO HEALTH, SAFETY, LABOR AND ENVIRONMENTAL LAWS

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-786) on the resolution (H. Res. 542) providing for the consideration of the concurrent resolution (H. Con. Res. 246) expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3603, FAMILY PRESERVATION ACT

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-787) on the resolution (H. Res. 543) providing for the consideration of the bill (H.R. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 4547, THE FREEDOM SUPPORT ACT OF 1992

Mr. HALL of Ohio. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report from the Committee on Rules providing for the consideration of the bill, H.R. 4547, the Freedom Support Act of 1992.

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

Mr. WALKER. Reserving the right to object, Mr. Speaker, and I shall not object, but I ask if it is the understanding that if, in fact, we can file the rule by midnight, as the gentleman from Ohio [Mr. HALL] has requested, then we would expect to have that bill on the floor tomorrow for consideration?

Mr. HALL of Ohio. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. HALL of Ohio. Mr. Speaker, I cannot speak to the floor schedule for tomorrow, and I do not have the authority right now.

Mr. WALKER. That can be assumed to be the reason why the gentleman is rushing to get a rule out there, so in fact it will be eligible for consideration tomorrow.

Mr. HALL of Ohio. I would assume so.

Mr. WALKER. I thank the gentleman.

Mr. HALL of Ohio. We have just been informed, Mr. Speaker, that it will be tomorrow.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

VOUCHER PROMISE IS A FRAUD

(Mr. FORD of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous material.)

Mr. FORD of Michigan. Mr. Speaker. President Bush has proposed a GI bill for children which would give a voucher of $1,000 to students in elementary and secondary schools. This voucher could be used at any public or private school.

When this proposal was made, Bush's press secretary was quoted as saying that it has no chance of passage this year but is being laid out as a campaign document. Mr. Marlin Fitzwater said that it "sets the stage for passage" in a second Bush term.

Mr. Speaker, the working people of this country who skimp and save to pay tuition for their children to attend parochial school are being used by the President for political purposes. The White House admits there is no chance to enact this bill and everyone who understands constitutional law knows that the Supreme Court would declare it unconstitutional even if it were to be enacted.

Therefore, all Bush is doing is misleading parents of parochial school students so that he can have their votes in the fall and then forget them afterwards. If Bush were the real education President, he would be addressing the hard problems in education and not using good people for political reasons.

I include an article from the Washington Post of June 26 on this issue:

BUSH OFFERS SCHOOL "CHOICE" PILOT PLAN

(By Ann Devroy)

President Bush, who has struggled for months to formulate a domestic agenda for a second term, returned to education reform yesterday, unveiling a $500 million pilot program to provide $1,000 stipends to parents to send their children to private or public schools.

It was the third time in a month Bush has cited education reform as a major goal if he is reelected and emphasized the need to give parents a "choice" to opt out of the public school system by giving them funds to pay part of the costs of private schools.

Administration officials acknowledge the proposal has no chance of passage this year but is being laid out as a campaign document. White House press secretary Marlin Fitzwater said it will allow for a debate on the choice concept and "sets the stage for passage" in a second Bush term.

The proposal, dubbed a "GI Bill for Children" by the White House, would provide $1,000 grants to lower- or middle-income families, with an income cutoff of $40,000 for a family of four. If the parent chose a public school, half the money would go to the school and the other half to the parent for remedial or extra educational costs. If the parent chose a private school, the school would get the funds. Religious schools would be eligible under the program.

Some form of public financing for private schools has been a favorite Republican proposal for a decade—President Ronald Reagan pushed tuition tax credits for private school parents and, more recently, Bush has unsuccessfully pushed his choice programs in Congress. The Senate in January rejected an earlier Bush proposal for $30 million worth of choice demonstration projects.

Later yesterday, at a political rally with College Republicans, Bush cited education reform as part of the agenda to get him reelected. "It's strong and it's new and it's good, and that is a total reform, a revolution in American education," he told the audience.

Critics argue such programs will undermine public schools by encouraging motivated, involved parents to move their children into private schools. Using tax dollars for religious schools is unconstitutional, they also argue.

But Bush, surrounded by youngsters in a photogenic White House South Lawn ceremony attended by 1,300 guests, defended the concept of allowing federal funds for use in private schools, saying the grants are not to the schools but to families. "For too long, we've shielded schools from competition [and] allowed our schools a damaging monopoly power," Bush said.

Education Secretary Lamar Alexander told reporters that restricting choice to public schools "would be like giving bonuses to Russian car manufacturers and saying, 'work a little harder,' or asking Pony Express to run faster."

Keith Geiger, president of the National Education Association, said the program is "nothing more than desperate election-year rhetoric" aimed at conservatives and that it would be a "dangerous threat" to the nation's public school system, a point echoed by several Democratic congressmen involved in educational issues.

AMERICAN HEALTH CARE NIGHTMARE

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, I would like to bring to the attention of the House, an article which appeared in last week's Philadelphia Inquirer, detailing another example of the American health care nightmare.

Six-year-old Zahra Jessa, a native of Dallas, was visiting relatives with her parents in Vancouver when she developed a severe lung condition.

After her admission into the hospital however, it was discovered that Zahra's family did not have any medical insurance, and therefore could not have the child transferred to a hospital in the United States.

Zahra Jessa is in medical exile, and cannot return to her own country. For 2 years, this little girl and her family have petitioned many hospitals in the United States to receive her, and care for her, but it is always the same story. No insurance. No care.

The Jessa family represents a small fraction of the American public whose lives are being held hostage by a broken health care system. Nearly 10 million children in this Nation do not have adequate health insurance.

So is it really surprising Mr. Speaker, that a major Canadian paper recently speculated the following in an editorial:

So which is the better system President Bush? Yours with instant bypasses for those who can afford them, or ours with short waiting lists for some surgery but instant care for those who can't afford it in your country.

The time has come to provide adequate health care for every single citizen of this Nation. Large and small, rich and poor.

Let's open up our hospitals, and welcome Zahra Jessa home.

I would like to submit a reprint of this article for the RECORD, and I urge my colleagues to take the time to read it.

The article referred to follows:

[From the Philadelphia Inquirer, July 28, 1992]

AN AMERICAN GIRL STAYING IN CANADA IS A MEDICAL EXILE

(By Robert Steinbrook)

A 6-year-old American girl with severe lung disease has spent nearly a third of her life in a children's hospital in Vancouver because Canadian officials have been unable to find an American hospital that will supervise her care.

Now, after spending more than $1 million over the last two years, the Canadian government is trying to close the door on Zahra Jessa: Canadian immigration authorities last week ordered Zahra and her family deported. The deportation of the child, who until recently had no health insurance, is contingent on arranging for her medical care in the United States.

The case has turned Zahra, her mother and her younger sister into medical exiles. It has outraged Canadians as well as advocates of health-care reform in the United States.

Despite more than a year of intensive efforts, "we have been unsuccessful in getting any jurisdiction in the United States to take responsibility for the care of this child," said John H. Tegenfeldt, the president of British Columbia's Children's Hospital, where Zahra has lived since July 1990. "It is a real reflection of problems in the health care system that exist in the [United States]."

"It really is an indictment of the American health care system," said Arthur Caplan, director of the Center for Biomedical Ethics at the University of Minnesota at Minneapolis. "The little girl and her family have wound up in a medical limbo."

Dr. Paula Braveman, a health policy researcher at the University of California, San Francisco, said the situation is "really disgraceful" and a "particularly poignant example of where our health care system is headed, unless we take some dramatic action. * * * The safety net isn't there."

Tegenfeldt called Zahra a "very delightful child." While on a personal level "everybody is concerned to provide the best for this patient and have actually grown very attached to her," the hospital's primary responsibility is to care for Canadians, he said.

Nevertheless, "we will not send this child elsewhere if she cannot be cared for appropriately," he said. "We are not going to just dump this child."

The child's plight became known in Canada earlier this month when it was publicized in the Vancouver newspapers.

"So which is the better system, President Bush?" the Vancouver Province subsequently editorialized. "Yours with instant [heart] bypasses for those who can afford them, or ours with little waiting lists for some surgery but instant care for those who can't afford health insurance in your country."

About 9.8 billion children in the United States, or 15 percent of all American children, were uninsured in 1990, according to the Employee Benefit Research Institute in Washington, D.C. This number is believed to have increased as the recession has thrown more Americans out of work and triggered cutbacks in government services.

Canada has a universal health insurance system, which is often discussed, particularly in this presidential election year, as a possible model for health-care reform in the United States.

Canada spends far less of its gross national product on health care than the United States, while providing health insurance for all of its citizens. Canadians have longer life expectancies than those in the United States, and Canadian babies are less likely to die during the first year of life than U.S. babies, according to studies.

The Canadian system, however, is criticized for shortages of expensive new technologies and waiting lists for some surgeries.

The Jessa family has declined to discuss the case. According to hospital officials, the child, who has a chronic fibrotic lung condition, was visiting relatives in British Columbia two years ago when she developed severe shortness of breath. At the time, her family was living in Dallas.

Zahra was taken to the hospital, and physicians admitted her to the intensive care unit. The hospital did not find out until later that her parents had no insurance and were not able to pay for her care.

Some U.S. hospitals would have performed "wallet biopsies" before admitting such a patient, and "even in an emergency, they would have avoided her like the plague" for financial reasons, Caplan said.

The child's respiratory difficulties were so severe that she required a tracheostomy, an opening made into the windpipe through the neck so that a breathing tube can be inserted. She is now dependent on a ventilator to breathe and has been living in the hospital's 22-bed pediatric intensive care unit.

Her condition has gradually become stable enough that she could be treated at home with nursing assistance. Canada's Tegenfeldt said. As a non-resident, however, Zahra is not eligible for such outpatient services in Canada.

Tegenfeldt said hospital officials have been trying to transfer Zahra to an American hospital since the middle of 1991.

First they tried two Dallas hospitals, a country facility and a pediatric facility, which Tegenfeldt declined to name.

"Both absolutely refused to the extent that they were prepared to take legal action to stop the child from coming." Tegenfeldt said.

Subsequently, the family has established residence in Washington, and the child has gained eligibility for Medicaid, the state and federal health insurance program for the poor. The hospital is now working with Children's Hospital and Medical Center in Seattle, home health agencies and the state Medicaid office to try to devise a plan for her care.

□ 1720

INSURERS MUST TREAT CHICAGO FAIRLY

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, on April 13, water from the Chicago River broke through an underground tunnel, resulting in flooded basements throughout downtown Chicago. Many businesses large and small suffered property damage and interrupted operations.

As the Congresswoman representing the downtown Chicago area and as chairwoman of the Subcommittee on Commerce, Consumer Protection, and Competitiveness, which has jurisdiction over insurance, I have been very concerned with how insurance policyholders are treated in the aftermath of this disaster. Immediately after the flood, I wrote major property and casualty insurance trade associations, urging them and their member insurance companies to respond as quickly and as fully as possible to flood-related claims.

The letters resulted in positive responses. Representatives of the various trade associations and member companies responded and contacted me and my staff, offering their assistance and advice.

A number of large insurers, such as Chubb Corp., the St. Paul Co., and Commercial Union Insurance Co., recognizing the unusual nature of this dis-

aster, have agreed to pay claims, even though they may have chosen to delay the claims process and force expensive litigation by invoking fine print exclusions in insurance policies, and attempting to redefine the meaning of the term "flood." This would have left it up to courts to decide whether the claims were covered, and in the meantime, business and individuals in Chicago would be left to suffer severe economic losses. These public spirited companies are doing the right thing, and are taking their responsibilities to the public and to policyholders seriously.

But one large insurance company, CNA, ironically located in Chicago, is taking its responsibilities far less seriously, by refusing to pay its policyholders. According to last week's Chicago Tribune, CNA is the "only large insurer" to deny certain claims by local businesses related to the Loop flood. This denial is apparently based on a fine print, strict interpretation of insurance policy language. This is an outrageous decision and I have so informed CNA in writing.

Whatever the legal arguments may be on each side, litigation would be costly and time-consuming for both sides. While other non-Chicago-based large insurers agree to pay claims, Chicago's own CNA stands alone in its refusal. What has happened to the notion of being a good corporate citizen?

Even if CNA believes it is not legally required to pay claims, it certainly has the option to voluntarily agree to do things it is not required to do. Furthermore, if CNA is concerned about setting a possible adverse precedent, it can make clear it is not waiving any legal rights. Indeed, paying these claims would create a positive precedent for the treatment of Chicago businesses by other insurers.

During the past year and a half, my subcommittee has been investigating the cause and effects of insurance insolvencies on individuals. We have seen the devastating impacts the failures of Executive Life and Mutual Benefit have had on people such as Olga Pegelow, a Chicago resident, who saw her annuity payments cut by 30 percent, and the employees of the University of Illinois at Chicago, who saw their pension funds frozen. These cases represented failed promises.

Mr. Speaker, representatives of the insurance industry often wonder why the industry has a poor public image. The failed promises of CNA provide the explanation. For the sake of Chicago businesses and citizens, I strongly urge CNA to reconsider its unfortunate decision.

THE FRIENDSHIP FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. JENKINS] is recognized for 5 minutes.

Mr. JENKINS. Mr. Speaker, our world has appeared on the brink of doom so many times it is refreshing to call attention to those who would live by the golden rule, something that sometimes surprises us. We aren't used to it.

But even as he topples on the brink of self destruction, man always finds a starting point to rise against whatever odds may be stacked against him.

While there is still war, violence, corruption, and bitterness, there also is a clamor for peace that more and more pricks the pride and vanity of those who seek power by subjugating our friends and neighbors to their own selfish motives.

Playing a major role in a unique enemy-to-friend relationship is a worldwide organization active on all of our continents except Antarctica.

I speak of the Friendship Force, formed 15 years ago by a Presbyterian minister. Wayne Smith, who is from my state of Georgia. The Reverend Mr. Smith spoke in glowing terms of his idea at that time—the goal was to develop personal friendships that would further world peace and understanding.

The Friendship Force has never deviated from those brave objectives, and as of today there have been more than 100,000 individuals who have taken an active part in this program at their own expense, to live and work for brief periods with those in other countries. They have broken barriers in many ways, simply by allowing the true spirit of friendship to have its way.

The Friendship Force has spread in these past 15 years to approximately 50 nations and nearly all of the 50 States. Its premise is one of hands-across-the-seas, personal friendships that grew among the people of the world through the opportunity to share in each other's lifestyle.

It is for this reason that I have nominated the Friendship Force to be considered for this year's Nobel Peace Prize.

The first exchange of the Friendship Force 15 years ago was planned carefully. The exchange involved 300 Friendship Force ambassadors from Georgia who would visit Newcastle, England, and 300 from that country who would visit Georgia.

The exchange was made on July 4, and not since Paul Revere's ride more than 200 years earlier had Americans been excited for the same reason—at least this was true in Atlanta where the byword was: "The British are Coming."

The British joined in Atlanta's Fourth of July parade. And in Newcastle the British cheered the Americans who marched through their streets to celebrate the American Independence Day.

The world is getting smaller all the time, as the saying goes. Certainly more people are traveling about the world now than at any time in history.

The Friendship Force has a list of what it calls its 10 commandments, and it might help the rest of us if we consider them as we move about the world.

No. 1: Thou shalt not expect to find things as thou has them at home, for thou left thy home to find them different.

No. 2: Thou shalt not take anything too seriously—for a carefree mind is the beginning of a joyful experience.

No. 3: Thou shalt not let the other Ambassadors get on thy nerves—for thou art paying out good money to have a good time.

No. 4: Remember thy passport so that thou knowest where it is at all times, for a person without a passport is a person without a country.

No. 5: Blessed is the person who can make change in any language—for lo, he shall not be cheated.

No. 6: Blessed is he who can say "thank you" in any language—and it shall be worth more to him than tips.

No. 7: Thou shalt not worry. He that worries hath no pleasure—and few things are ever fatal.

No. 8: Thou shalt when in Rome do somewhat as the Romans do; if in difficulty thou shalt use thy common sense and friendliness.

No. 9: Thou shalt not judge the people of a country by one person with whom thou has had trouble.

No. 10: Remember thou art a guest in every land—yea, he that treateth his Host with respect shall be treated as an honored guest.

It is through such simple rules that the Friendship Force has operated since its beginning. And it takes a certain amount of courage to go into a strange household in a strange land just to get to know people, and have them know you.

But it has happened not only in our own country, but in Mainland China, in Japan where former soldiers of the old empire and America got together, behind the old Iron Curtain, where former comrades in arms drank with their former enemies, and the Berlin Wall crumbled and the spirit of freedom was allowed to move among the people of the world.

That is why I believe the Friendship Force deserves the Nobel Prize for peace.

Mr. Speaker, I want to take this opportunity to invite all of my colleagues to learn about the Friendship Force, for it has made a place in history for peace throughout the world.

□ 1730

CASHING IN ON A SWEET DEAL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I rise this evening and am reminded of a famous American comedian, Jackie Gleason, who used an expression, "How sweet it is."

Well, tonight I want to talk to my colleagues about a very sweet deal. And if there are any sugar beet farmers or Americans who are concerned about

jobs in America, this is a good special order to pay attention to.

I am here tonight to expose a serious and continuing abuse by U.S. trade negotiators who sell out to the opposition.

I learned today that the chief United States negotiator representing our country, the United States, in the North America Free-Trade Agreement between Mexico and the United States, specifically the negotiator who was in charge of the sugar provisions, has walked through that famous revolving door and switched sides before the ink has dried on the very agreement he negotiated.

Agriculture Department official Cleveland Marsh, who has been negotiating the agreement that the United States sugar interests fear could leave the United States sugar market vulnerable to huge imports of Mexican sugar over the next several years after the agreement is enacted.

He has been serving as the U.S. Government official in charge of controlling sugar quotas and, in fact, he should be working hard for the interests of U.S. sugar people. Yet as soon as he put the United States-Mexican agreement together, he has turned around to go to work for the Kraft General Foods, Inc., one of the biggest sugar buyers in North America and, I might add, one of the biggest opponents of United States sugar interests.

So for every beet farmer in my district who is slaving over the fields to make a decent living, this is a fellow they will want to get to know.

I ask my colleagues, just whose interests was Mr. Marsh really representing at the negotiating table? He certainly is no going to cash in on his special knowledge and privilege gained at taxpayer expense. The American people have the right to know exactly whose side their trade negotiators are on.

For the record, I want to know when Mr. Marsh received his offer to go to work for Kraft. I want to know through what process he was approved.

Mr. Marsh may technically have not violated any specific U.S. ethics or post-employment restriction laws, but his actions are clearly suspect.

Let me remind my colleagues that he is going to work for a company that will be a direct beneficiary of the sugar deal he just negotiated. I am going to repeat that. He is going to work for a company that will be a direct beneficiary of the sugar deal he just negotiated.

Now, if this is an acceptable practice, then I say we must further tighten our laws to close down the damaging revolving door. We must demand higher standards for our trade negotiators, for they are in the front lines in the fight to promote jobs here at home, the economic interests of the United States, here for our people and also abroad. And they are supposed to be our trusted solders in America's quest for equal access and fair treatment for our farmers, for our businesses, for our industries and for our workers in world markets.

This is one Member of Congress who will not tolerate switching sides and conflict of interest among U.S. trade negotiators. Last April I released the findings of a GAO study on the revolving door. And that scandal has permeated our high level Government officials.

GAO identified 82 former high-level Federal officials, including Members of Congress, White House officials, congressional staff, and executive agency officials who left the U.S. Government between 1986 and 1991 to represent foreign interests before the U.S. Government.

Now, we have strengthened our postemployment ethics laws, but they are just not sufficient to stop this type of practice.

I have proposed the creation of a professional trade service corps and will be introducing legislation very shortly to provide increased career opportunities to keep excellent people in government service and to curb the current practice of our trading negotiators cashing in on the deals that they just negotiated.

My legislation will tighten the conflict of interest standards to make it virtually impossible for seasoned trade negotiators to switch sides at the negotiating table and, for personal gain, sell the knowledge that they have gained at taxpayers' expense to private clients.

But, my fellow Americans, that is exactly what continues to go on in our country. The bill I will be shortly introducing, I hope, will receive the support of our colleagues and will pass in the 103d Congress.

An article from the Wall Street Journal follows:

U.S. TRADE-TALKS OFFICIAL RESIGNS TO BE SUGAR BUYER

WASHINGTON.—An Agriculture Department official involved in trade negotiations that could allow more imports of Mexican sugar is resigning to become a sugar buyer for Kraft General Foods Inc.

A spokesman for Kraft, a unit of Philip Morris Cos. and one of the nation's largest food companies, confirmed that Cleveland Marsh has been hired and would buy sugar for the company's North American businesses starting Sept. 1.

Industry officials said Mr. Marsh has been involved in U.S. negotiations with Mexico and Canada for a North American free-trade agreement. An Agriculture Department spokesman said Mr. Marsh recused himself from the talks when he informed his superiors that he was taking the job at Kraft.

A tentative sugar pact has been reached as part of the free-trade negotiations, which would link the economies of the three countries into a single trading bloc.

Sugar industry officials say the accord could leave the U.S. market open to huge shipments of Mexican sugar about the turn of the century, depressing growers' prices but benefiting industrial buyers such as Kraft. Mr. Marsh couldn't be reached immediately.

TRIBUTE TO JEANNE HYDE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 60 minutes.

Mr. FISH. Mr. Speaker, it is with deep sadness that I rise to pay tribute to Jeanne Marie Simpson Hyde, wife of my friend and our colleague, HENRY HYDE, who passed away Tuesday, July 28, after and long and courageous battle with cancer. On behalf of all the Republican members and staff of the House Judiciary Committee, my personal staff and my family, I wish to express since condolences to HENRY and their family—their children: Henry, Jr., Laura, Robert, and Anthony; and their grandchildren: Daniel, Veronica, Andrew, Patrick, and Frederick. We share your sorrow.

For several months, many of us have been privileged to witness an inspiring display of strength, love and deep faith in the Hyde family. It has been my honor to serve with a dedicated and brilliant public servant, HENRY HYDE. During his wife's illness I have been even more humbled by his fortitude, character, and commitment to the wife he loved and the country he so selflessly serves.

Jeanne Hyde was one of the most beautiful women I have ever met. Her infectious spirit, open countenance, and genuine love of people, made her a joy to know. She served in the White House in the administrations of Presidents Reagan and Bush. Active in both the Illinois and Washington communities, Jeanne also contributed her talents and energies to the work of St. Charles Boromeo Catholic Church in Bensenville, the Cathedral of St. Thomas More in Arlington, the International Neighbors Club, the Republican National Women's Federation of Illinois, and the Park Ridge Women's Republican Club, to name just a few of the many causes in which she believed. Many countless people have benefited from her active life.

As her son, Robert, said in his eulogy to his mother:

> She taught us the joy of giving and of compassion for others, for friends and for family, for neighbors and even strangers.
>
> She taught us that it is most important to make a positive difference in other people's lives as often as one possibly can.

Thank you Jeanne and thank you, HENRY. May God bless and keep you both.

Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER].

□ 1750

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding to me, and I thank HAM FISH for taking this time out to allow all of us to talk a little bit about Jeanne Hyde and HENRY HYDE.

First, Mr. Speaker, there are some people in Washington in public life who are absolutely extraordinary people. With all of the drawbacks, many of which we have seen and observed this year, of serving in public life, I think one of the real benefits is the fact that we have a chance now and again to come in contact with people who, when we talk with them, leave us inspired and feeling that we are richer for the experience, and in the case of Jeanne Hyde and HENRY HYDE, leaving us feeling that we have a little direction in our own life as a result of having listened to them and talked with them and conversed with them.

A person would just feel good about being with the Hyde family, because there was so much wisdom and so much of a sense of duty to this country, and a sense of rightness and decency. One somehow felt that in this turbulent world that we live in, especially the turbulent political world, that we were just a little bit stabilized by having talked and met with these wonderful people.

I might just say that I knew we have all read that Jeanne Hyde met her husband, HENRY, at a basketball game. Actually, this was in 1947, and she had just broken up with a professional basketball player. She was leaving the game, and I did not ask HENRY exactly how the breakup had occurred, but the only thing that was important from HENRY'S perspective was that she was leaving and was about ready to get into a taxicab. HENRY came rushing up and, in his words, tried to convince her first that he was not a masher, and then told her how important it was that he have a chance to spend some time with her and to get to know her.

Obviously, they did, and the Nation has been richer for that. Jeanne Hyde was a person with a wonderful sense of rightness and duty, and that intangible asset of being able to know how to raise a family and make people feel good about being members of the family, and making friends feel that she got strength and sustenance from the relationship with that family.

She was a homemaker in the finest sense of the word, and performed in that sense, in that job, in what I think is a most important role in American society; that is, molding the character of our children, and in trying to build a future for America by infusing them with real values.

I am going to close and let other folks talk about Jeanne Hyde and HENRY. Just let me say that, also, about HENRY HYDE, while we are on that subject, because this is an opportunity we do not often get to talk about him, but HENRY HYDE is an extraordinary individual. He is a person who, if you want to know about the Declaration of Independence, talk to HENRY HYDE and it comes to life. You hear that in his speeches and in his conversations on the floor. If you want to know about the Constitution or a particular aspect of the Constitution, talk to HENRY HYDE and it comes to life.

In this difficult time, for those Members who support the right to life, at a time when they look at the political polls, and they see that their position on this subject is going down in the polls, which may bode trouble for some of them, some of them in some of their opinions, if you listen to HENRY HYDE, you will see, if you have that particular position, you will come away refreshed and feeling that perhaps HENRY HYDE sees something that maybe other people do not see, and perhaps he has a vision for America because he can see the value of an unborn child.

I bring that subject out because it is so important to HENRY, but because also it reflects the struggle that is going on in America, and the fact that we are looking for leadership on that issue. One of the most respected Members who ever strode onto the House floor from the time when this Congress first existed has been able to persuade many people to take his point of view, not because it was politically right, but because he had a force of wisdom and common sense and values that he imparts when he talks to you, that makes you feel that somehow you are giving a service to America and you are simply doing what is right, to take that position.

I think that is the value of HENRY HYDE. He is a great leader. He is one of the most admired people the House of Representatives has ever seated, and he has been able to give so much to this country because he has had that perfect, wonderful, generous, giving wife, Jeanne Hyde, always at his side.

I know that the family is going to need sustenance and support in the future, and that many Members of this House and their families, their wives and children, stand ready to do what they can to be of a little comfort.

I thank the gentleman from New York [Mr. FISH] for taking out this special order for his friend, HENRY HYDE.

Mr. MOORHEAD. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I wish to commend the gentleman from New York [Mr. FISH] for taking out this special order for our friend and close, close lady for so many years who was our friend, the friend of all of us. She was really a very special lady. She was the lady of Proverbs 31, an example of total commitment to her family, whose family rose up and called her blessed.

I do not know of any family today that was closer than that of Jeanne and HENRY and their children. During the last days that Jeanne lived she was in a beautiful home that HENRY had provided for her, and he sat almost all day by her side, talking to her. She was in good spirits most of the time, a cheerful woman, in spite of the fact that she knew that she had not long to live. She had committed her life to God and she was content with the life that she had. Her main concern during those days was for HENRY, "What is going to happen to HENRY when I am gone?"

After so many years, 45 years that they had lived together as husband and wife, they had been inseparable. HENRY loved her with all of his heart and she loved him. You do not see that too often today in American life, where people have other priorities, but the No. 1 priority of each of them was to take care of the needs of the family and of each other.

We had an opportunity to visit Jeanne a very short time before she died, and I have never seen a person so upbeat and so actually outgoing in a situation in which many of us would be led to despair, knowing that there was not long left in life. But she was willing to talk about so many things about her life, her kids, the things that had been important to her.

I know we received calls from former Members around the country, from wives of former Members, wondering how Jeanne was doing. She had thousands of friends in her own home State of Illinois, here in Washington, DC, and then many other people around the country.

She was a lady of courage, of integrity. Honesty meant a lot to her in the commitment she had made to people, the things she carried out. She had a great sense of humor. She could see the humor in life around her, and she made life a better place for everyone that was close to her. She certainly was a loyal and devoted friend to her many, many friends that she had around.

She did an outstanding job as a professional, a special correspondent at the White House, responding to mail and taking care of the needs of people around the country. She was truly an outgoing woman who was more concerned with the benefit and good things for others than she was for herself.

I will miss Jeanne Hyde, and I certainly join with my wife, Valery, who has really been terribly concerned about what was happening to Jeanne and about her welfare throughout all of this time.

We will miss her. We know that she is with her heavenly Father in heaven, and that HENRY will be when he passes on to join with her, because certainly HENRY has lived the same kind of a life that his beloved wife lived.

Again, I thank the gentleman for taking out this special order. I know that it means a lot to everyone that was concerned about her and knew her and loved her.

Mr. FISH. Mr. Speaker, I yield to the gentleman from New Mexico [Mr. SCHIFF].

□ 1750

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding and thank him for taking out this special order.

Mr. Speaker, the reason I have the privilege to be on the House floor is that I have the privilege of representing the First Congressional District of New Mexico in the U.S. House of Representatives. Although I have lived in Albuquerque for 23 years, I am not originally from New Mexico. I was born and raised in Chicago, IL, and moved out to New Mexico when I was about 21 years old. And one of the individuals I knew back in Chicago was HENRY HYDE, then State Representative HENRY HYDE. And I knew HENRY because in 1967 and 1968, I was president of the Young Democrats of the 49th ward of Chicago, and among other things worked with our Democratic State legislator from my area in the State legislature, and in State legislative matters, and I got to know Mr. HYDE.

I have to confess that as a Democrat I disagreed with him on number of issues. I have to further confess that even though I am a Republican, having converted many years ago, I still today disagree with Mr. HYDE on some issues.

But the thing that I remember most about HENRY years ago and is still true today is that he never took an honest, philosophical difference personally. You could have a disagreement on any number of issues and you were still HENRY's friend. It did not matter.

I further have to say that at that particular time I did not know Mrs. Jeanne Hyde, but I knew of Mrs. Jeanne Hyde, and I knew in fact there had to be a Mrs. Hyde. And I knew that because I saw the many hours that HENRY worked on behalf of the people he represented in his State legislative district in Illinois. I saw the hours he had to spend away from home in the State capital at Springfield. I saw the hours in fact that I worked with him. We were on the same side in trying to promote a constitutional convention for the State of Illinois. And I knew that as a strong family man HENRY would never have been away from home that much unless he had a strong wife who would help keep the family together and see to the needs of their children. And that was just a given that many years ago.

I want to say at this time, HENRY, all of your friends', all of your colleagues' hearts go out to you and to your family.

Mr. FISH. Mr. Speaker, I thank my colleague very much.

Mr. Speaker, I yield to another colleague from HENRY HYDE's State of Illinois, Mr. PORTER.

Mr. PORTER. Mr. Speaker, I thank my colleague from New York for yielding, and thank him for providing to us this special order in honor of a very great lady.

Mr. Speaker, last week a very great lady—Jeanne Hyde—was taken from our midst. She fought a long and courageous battle with cancer before it finally claimed her life last Tuesday. The pain of Jeanne's passing obviously falls most heavily on our dear friend and colleague, HENRY HYDE, but we are here today to say that HENRY's sorrow is shared by all of us in this House, and by everyone who was fortunate enough to know Jeanne.

I first met Jeanne when I served with HENRY in the Illinois General Assembly. Her grace and strong character made an impression on me and on everyone who knew her. I already had deep respect and admiration for HENRY, and meeting this wonderful woman whom he had married confirmed for me the soundness of his judgment—so much so that the very first vote I ever cast in any legislative body was to vote for HENRY HYDE for Speaker of the Illinois House. Jeanne was an inspiration then, and she continued to shine her special light wherever she went throughout her life.

She served as an aide to Presidents Reagan and Bush, and always touched those around her with compassion and humor. Over the past several days, family, friends, and those who worked with Jeanne Hyde in the White House and in Illinois have remembered her delightful spirit and how she inspired all of us.

Their accounts speak volumes about the kind of person Jeanne was. One of her coworkers at the White House, Chuck Donovan, spoke of mail arriving at the White House from sick children and the parents of slain servicemen. Jeanne Hyde, he remembers, was always able to find the right words of comfort, even for those who seemed inconsolable. He said, "she taught a lot of people—peers and younger staff—how to care. Compassion is a virtue in any human being, but in Jeanne, it was a gift."

Those feelings were echoed by Anne Higgins, a family friend who worked with Jeanne in the Reagan White House. "The most beautiful word in any language is mama, and that's what we called Jeanne," she said. "It was in loving and caring for people that Jeanne excelled."

In particular, her bravery in fighting her illness showed us all what strength of character and courage really mean. It is that same strength of character that is so evident in HENRY HYDE in his inspired battles for the things he believes in so deeply.

Throughout the ordeal that she, HENRY, and the Hyde family faced, she maintained her magnificent, positive outlook and thought not of herself, but of those around her. That wonderful spirit and her outstanding service to her community and her Nation will be Jeanne Hyde's enduring legacy.

I know I speak for every Member of this House in expressing our deepest sympathy to HENRY and his children, Henry, Jr., Laura, Bob, and Tony. We pray that God will comfort them all during this difficult time.

Mr. FISH. I thank the gentleman very much.

Mr. Speaker, I yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I too want to thank my distinguished colleague and good friend from the land of my birth, Mr. FISH, for taking out what has turned out to be a very beautiful special order to, as Mr. PORTER said, a very, very great lady.

I also knew Anne Higgins over at the White House during those days when they were deluged with mail for someone who is a bigger-than-life character, President Ronald Reagan. And during some of those conflict periods, particularly the tragedies at sea, peacetime accidents, and the men that were lost in the marine barracks at Beirut, I remember Anne Higgins telling me about that nickname for Jeanne, "Mama," and how she would go out of her way to take the toughest letters that the younger men and women felt a little bit uneasy with.

I want to tell a story that I feel funny about with Jeanne, because I owe her a big one, and I will have to pay her off in heaven, if I can get there, because I know she is there. We were at the White House late one night, and I bet you were there, HAM, and it was for the President. It was about 2 years ago. And we broke up fairly early, about 8 o'clock, and we were all feeling in a fairly good mood. It was pre-Desert Shield/Storm days. And I said to Jeanne and HENRY, "Please let Sally and I take you guys out to dinner." I said, "We'll just go someplace simple, like the Old Ebbitt Grill right across the street from Treasury." And I said to Jeanne, "Jeanne, help me talk HENRY into this. Come on, come on, it looks like he wants to go home."

It had been a long day, and we had started in the House early that day. And she talked HENRY into it, and we went over to dinner, the four of us. And my wife had always told me that if ever there was a perfect congressional wife partnership it was Jeanne, being HENRY's strong partner and copilot. And it was a delightful dinner, and when we reached the end of the dinner I reached for my wallet and it was not there. I had left it in the car, or I had left it at home or something. So I whispered to Jeanne, I said, "You talked him into the dinner, now you're going to have to talk HENRY into paying for it, and I'm going to owe you guys one." And when she gently broached it to HENRY, he said, "Don't work as BOB's lawyer here, Jeanne. This is an old story. I knew DORNAN would pull this when he invited us to dinner, so I'll gladly pay for this thing."

So for the past 2 or 3 years or 2½ years I have been saying to HENRY or

to Jeanne whenever we have bumped into her somewhere, "Hey, come on, I owe you guys a dinner." And I thought of the instant that Jeanne fell ill and HENRY told me it was very serious, and you always forget the kindnesses, and the jokes, and the little debts, honorable that you owe to people. And I just would give anything to be able to go out to dinner with my Sally, and with HENRY and Jeanne one more time.

She was so upbeat, as I said, and if God every designed a congressional wife, and they are the unsung heroes around here, the spouses, I have gotten to know George Vucanovich very well, and I just see him as a perfect partner for BARBARA, a team effort. I do not know how I would get the energy to operate around here without my Sally. And I just know that HENRY is going to have a tough period here trying to fly alone when he had such a perfect partner with him at every moment back in the district, always with him here when the House is in session.

My heart goes out to him. He has always been a patriot of the highest order who's loved his service here. I heard him once talking to a class of freshmen, and they said, "Mr. HYDE, any regrets on your committee choices, on your career? Do you wish you had run for Governor? Do you ever wish you had run for the Senate when it opened up at some point?"

□ 1800

And what HENRY said, I thought, was pretty good. He said, "My only regret in life is that I did not run for the House of Representatives earlier, much earlier," He said, "I only wish I could have come here in my thirties or, like some of these young guys I see coming in, my twenties." He said, "I love my service here, and I do not see any end to it."

So the only thing I have ever found myself in disagreement with HENRY HYDE on is term limits, and when you have got a couple, because I am a 12-year man, and I sort of felt that way coming here, and I have not changed, but the one guy I feel beats me down in debate is HENRY HYDE. Because he says that if somebody is doing a good job here, maybe it is good they stay around for a long time, and when you get two for the price of one election, the way the voters of Illinois did with Jeanne and HENRY HYDE, then you have got an unbeatable team, and maybe somebody like that should stay around a long time.

I hope that, without his beloved Jeanne, but with her in her eternal reward, pulling for HENRY, pitching for him, interceding for him, in heaven, I hope that HENRY graces these Chambers, and grace them he certainly does, with his style and unique manner of disagreeing and still maintaining every friendship in an intense and personal way, I hope that HENRY is a proud Member from Illinois of this great deliberative body in this splendid hall for as long as I am given to serve here by the voters of my district.

Thank you again, HAM, and bon voyage, Jeanne, keep helping all of us in those moments when we need some inspiration.

Mr. FISH. I thank the gentleman very much.

Mr. Speaker, I would like to publicly acknowledge the courtesy of the Clerk of the House of Representatives that a tape of these proceedings will be made available to the Hyde family.

I also would like to thank those Members including, the majority leader, whose names the Chair read out earlier who had signed up for special orders in the amount of 60 minutes who yielded their place so that we could proceed in this special order for Mrs. Hyde.

Mr. RUSSO. Mr. Speaker, it is a sad occasion when we must say goodbye to a dear friend, but in paying final tribute today to the beloved wife of our colleague HENRY HYDE, we also can celebrate the beauty and inspiration of a life well lived. Jeanne Hyde, a woman of immense grace and compassion, lived such a life, and it is in the spirit of the joy and love she gave that I join my colleagues in honoring her.

We all know what a professional she was in her work at the White House, and the dignity she accorded all people. We know her reputation for having a sympathetic ear and, in fact, many of us have benefited directly from this talent of hers for listening to the concerns of others.

But what I especially love and what both Karen and I will so miss is the fun-loving lady Jeanne was. What a pleasure were our trips with the Hydes, and it will always be with a smile that I recall the laughter so easily shared.

She had a way of putting you at ease and a special gift for making you feel at home. It was easy to feel close to this loving individual, to relax in the presence of one with such goodness of heart.

When such a rich legacy of memories and good deeds are bequeathed to those of us left behind, it is a source of comfort, and I hope her family will feel the warmth and consolation we extend to them today. We share in their loss of this wonderful lady.

Mr. ROSTENKOWSKI. Mr. Speaker, Jeanne Hyde was a lady of grace and compassion: a woman who cared deeply in her heart for people everywhere.

As a friend and colleague from Illinois for many years, I always looked forward to seeing Jeanne and HENRY together. Jeanne had remarkable strength and courage. Her warm and uplifting personality, charming smile, and cheerful manner brightened up a room.

Jeanne will be sorely missed. LaVerne and I join the thousands of friends and family in wishing our sincere condolence.

Mr. MILLER of Ohio. Mr. Speaker, I would like to join with my many colleagues in the House of Representatives in this special order to remember Jeanne Hyde who passed away recently.

Jeanne and our dear friend HENRY HYDE were married for many years and those of us who have served with HENRY came to know them both well, and to respect them for the countless contributions they have made to our Nation and to the great State of Illinois. This fine woman was lost to cancer, though she dealt with it courageously and with willpower and determination that reflected her strong spirit and her sound faith.

Jeanne Hyde will be greatly missed. At this time and on this somber occasion, I want to extend this personal expression of sympathy to HENRY and his family on behalf of myself and my staff.

Mr. ROE. Mr. Speaker, it is with great sadness in my heart that I rise today to join my colleagues in a tribute to Jeanne Marie Hyde, the wife of our good friend Representative HENRY HYDE of Illinois, who recently passed away.

Jeanne Hyde was an extraordinary woman who devoted her life to loving and caring for people. That compassion was particularly expressed during the time she worked in the White House as a Presidential aide in the Office of Public Liaison and Office of Correspondence.

At the White House, mail would come with last requests from sick children and grieving parents of slain servicemen. Jeanne, who was lovingly referred to as "Mama" by those who worked with her, always had the right healing words to respond to those who so desperately needed comforting.

Jeanne's graciousness enamored her to all who knew her. She was always able to add a touch of humor to any situation, whether she was dealing with the President of the United States or the housekeeping staff at the White House.

She was born Jeanne Marie Simpson on May 25, 1925 in Bridgeport, CT. The family soon after moved to Arlington, VA, and it was while Jeanne was a student at George Washington University, that she met a young student named HENRY HYDE who was attending crosstown rival Georgetown University.

Following their marriage, HENRY and Jeanne moved to Illinois where they raised three sons and a daughter. After HENRY's election to Congress in 1974, they moved the family to the Washington area.

Jeanne Hyde was a loving wife and mother. She was a friend who will be sorely missed. I would like to extend to HENRY and his family my sincerest sympathies on their great loss.

Mr. CRANE. Mr. Speaker, sadness envelops each of us who understands the great loss of our friend and colleague from Illinois, HENRY HYDE. A week ago yesterday, HENRY lost his wife, and our friend, Jeanne. The Lord was kind in taking her from us when He did, bringing to a conclusion her painful, losing battle to cancer.

We also wish to extend our sympathies to the children of HENRY and Jeanne—Henry, Jr., Laura, Robert, and Anthony.

Jeanne Hyde was a kind, loving wife and mother. She was also a lovely, gracious lady.

And she was vivacious as she illustrated with her membership in the Republican National Women's Federation of Illinois, the Republican Congressional Wives Club, the Park Ridge, IL Women's Republican Club, and the

International Neighbors Club, No. 2, here in Washington.

HENRY HYDE has lost a kind, loving partner. We have lost a fine friend. She will be missed by all who were fortunate enough to know her.

Mr. LAGOMARSINO. Mr. Speaker, it is with great sadness that my wife Norma and I join the other friends of the Hyde family in extending our prayers and expressing our deepest sympathies for the untimely loss of Jeanne Hyde.

We've known HENRY and Jeanne for years. Yet, it often seems that only at sad times like these do we pause to really reflect on the strength and personal contributions such wonderful friendships provide. Norma and I are honored to be friends of the Hydes and know that the loss of such a caring, loving soul leaves a void in so many lives, including ours.

Like HENRY, Jeanne loved life—beginning with the youngest, unborn child all the way through until the time the good Lord chose to join Him in His kingdom. I know that this generous, bright spirit coupled with her strong faith gave Jeanne and her family the personal strength and courage to face her difficult illness and the suffering it caused.

While words can never truly express our deep feelings, by fondly remembering Jeanne's celebration of life before her untimely departing from this Earth, we are left with happy, loving memories, which will give us lasting strength and spirit, especially when the chips are down, of just how glorious life is and how important friends are.

HENRY, we share yours and your family's grief and hope you will never forget that we are always here as your friends. God bless you, Jeanne and your family.

Mr. SENSENBRENNER. Mr. Speaker, it is with sadness and deep regret that many of us in this body rise to pay tribute to a wonderful lady—Mrs. Jeanne Hyde. The words most often associated with her are "grace" and "compassion," and with those I wholeheartedly agree.

Just a quick glimpse of her professional life attests to her unselfish spirit. From her work in both the Reagan and the Bush White House, to her memberships in various national and local groups, Jeanne was an inspiration to those around her. A devout Catholic, Jeanne also consistently showed her love for God and others.

Through my work with HENRY on the Judiciary Committee, I saw the strong partnership HENRY had with Jeanne. Whether taking care of the children or supporting HENRY, Jeanne demonstrated both strength and gentility. She delicately balanced the rigors of professional life with the demands of caring for their family; yet, she still made time for friends.

Although I can only begin to sympathize with HENRY and the family regarding the magnitude of this loss, I must express the personal loss my wife Cheryl and I feel not having her gracious presence either in front of or behind the scenes. Those who crossed her path will miss her.

Mr. MINETA. Mr. Speaker, it is with great sadness that we note the passing of Jeanne Hyde, wife to our distinguished colleague and my very good friend, Congressman HENRY HYDE of Illinois.

I met Jeanne Hyde when I met her husband: when he and I were first elected to the House in 1974. Since then, I have come to know Henry and Jeanne as two of the finest individuals in Washington, each committed to building a better America.

Together, the Hydes have worked tirelessly in public service. Henry, as a Member of this body; Jeanne, as a Presidential aide in the White House Office of Public Liaison and the Office of Correspondence in both the Reagan and Bush administrations. And together, the Hydes have raised a wonderful family, including four children and five grandchildren during their 45 years of marriage.

Mr. Speaker, it is always difficult to say goodbye to someone who has had such an impact on our lives and the life of our Nation. But it is important that we do take the time to do so. And so, it is a privilege to remember Jeanne Hyde today for the strong individual she was, and for the love and support she gave to our colleague.

I join with my colleagues in tribute to Jeanne, and in extending our condolences and best wishes to Henry and their entire family.

Mr. MAZZOLI. Mr. Speaker, it is with sadness in my heart that I rise to join my colleagues in paying tribute to Jeanne Hyde, our colleague HENRY HYDE's beloved wife of 45 years, who died July 28 following a long and difficult battle with cancer.

She was a woman of compassion, wit, charm, and sensitivity. She will be mourned widely here in the Capitol, back in Illinois, and across the Nation.

Jeanne Hyde's legacy will live on in all the people she helped in their time of greatest need and in the work of her husband, in which she was an active, indispensable partner.

In this age when public persons do not always set high examples for ethics, decency, and compassion, Jeanne Hyde shattered these bad images and characterizations. Not only in her work as a White House aide, but in her contributions of time and effort to charity and church causes, Jeanne Hyde showed herself as the kind of woman who helps those around here, friends and strangers alike.

Through my long service with HENRY HYDE on the Judiciary Committee and on other matters, I have known both the HYDE's as friends. HENRY HYDE has shown courage and grace in his professional life even as his personal life has gone through this time of grief. "Grace" is a word that has been used time and again to describe Jeanne. This word is very appropriate, because Jeanne was graceful about her entire life, with her last time not any different.

The United States will miss Jeanne Hyde for her tremendous public service, but the people who knew her will miss her even more deeply because of the exemplary person she was. Everyone, in fact, will miss Jeanne Hyde in some sense, because she was the kind of woman who made our world a better place for all.

Finally, I would like to extend an expression of sympathy to HENRY and his family on behalf of myself and my staff.

GENERAL LEAVE

Mr. FISH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore (Mr. PAYNE of Virginia). Is there objection to the request of the gentleman from New York?

There was no objection.

C-SPAN COVERAGE OF CONGRESS

(Without objection, Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, I just wanted to address the House for 1 minute to say that our excellent Speaker is arriving in the Chamber at this moment to claim his time for a previously requested unanimous consent on a special order, and to say that as soon as his special order is over, that one of the amazing things that has developed in our country to educate American citizens and our Government is the C-SPAN coverage paid for by all the cable organizations around America of the proceedings of this House.

I might tell the Speaker that as soon as you call for adjournment, I will be over in the C-SPAN studios taking call-ins from all across America, from Alaska to the Virgin Islands, from Puerto Rico to Hawaii, and they will probably discuss the gentleman's special order with me, so make it good. I look forward to the special order.

SETTING THE FACTS STRAIGHT ON THE 1992 ELECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I wanted to talk about the 1992 election and setting the facts straight, because I think this is going to be a fascinating process in the next 90 days as the American people attempt to decide about their own future, their children's future, and their country's future.

Mr. Speaker, I have been getting a number of press calls that I find sort of fascinating in that reporters will call and they will say, "What is going to happen now and exactly what is going on?" And the implication is that somehow a country which in January we were told that Bill Clinton had been knocked out of the race, in February Paul Tsongas was almost the nominee, in April and May we were told that Ross Perot would be anointed President almost without an election, and by late July, Bill Clinton was clearly going to be elected, that now somehow the election was over.

I keep trying to suggest to my friends in the news media that, in fact, the general election campaign is only about to begin, and that a general election campaign, at its best, is about vot-

ers informing themselves, studying the candidates, and making decisions about their future, their own future, their children's future, and their country's future.

I think that there are four basic messages, and I think that these are messages that I would be delighted to discuss at some point with Democrats, because I think they go to the core of what the decision should be in terms of setting the facts straight.

We have had an awful lot of coverage that was, I think, a facade, that was not, in fact, factually correct. I think that we have to face these four facts. The first fact is that President Bush and the Republican Party have been proposing for 4 years now a series of reforms. Some of the reforms are in areas that directly affect every American.

We have proposed, for 4 years running, an economic growth proposal which would create private-sector jobs. President Bush suggested it in 1989, in 1990, in 1991, in 1992. I know that I personally attempted to bring it up on the floor of this House three times in the last year, an economic growth proposal based on the private sector, designed to create jobs. In each of these occasions the Democrats blocked everything that was proposed.

I know that we fought last year for criminal justice reform so that we could deal more effectively with felons, with murders, with rapists, with armed robbers, and with murders and with drug dealers.

I know that the Republicans have proposed a health care program, the Action Now Health Care Program, a program based on the free market, based on market incentives to lower the cost, based on malpractice reform to lower the cost of Medicare and Medicaid, and to lower the cost of medical care in general, a health care program that includes a medical savings account, or Medisave account, which would give every working American an incentive to have less redtape, to have more preventive health care, more focus on wellness, and to have more caution about spending money; and the medical savings account, I think, is the most exciting new idea which has been developed in the health area.

We had a whole series of ideas put together in a bill called the Action Now Health Reform Plan, which is currently being blocked by the Democratic leadership.

We have a bill on welfare reform, a proposal to have work requirements, a proposal to have learning requirements, a proposal which would limit the amount of time any American could spend on welfare as an adult to a total of 4 years over their lifetime and say, "Look, we are not going to accept two and three generations living on welfare in the future. We are going to make welfare a transition program," what it was under Franklin Roosevelt and what it should have remained—blocked, unable to bring it to the House floor.

We strongly favor a constitutional amendment to require a balanced budget. It was opposed by the Democratic ticket, the Democratic Presidential nominee, who said that it would restrict, and I quote, "It would restrict spending too much," and yet, of course, almost every American wants Washington to restrict spending, and one of the major complaints I run into back home in Marietta, Alpharetta, and in Roswell is a complaint that Congress spends too much, that people in Washington ought to control spending, and so we strongly support a constitutional amendment to require a balanced budget. It was blocked by the Democratic leadership.

□ 1810

We have an educational reform program, building on the very sound ideas of former Secretary of Education Bill Bennett, developed now by Secretary of Education Lamar Alexander, a number of new ideas, new proposals; the America 2000 Program designed to open up, to experiment, to create 21st century schools, to have new approaches in education so our children can compete with German and Japanese children.

The fact is that most of those educational reforms are being blocked by the Democratic leadership.

On front after front, the fact is, and I think I can produce over the next few weeks date by date when the President sent up a reform proposal, when it was sent to committee, when it was blocked in committee, when it was blocked on the House floor, if it was ever allowed to even get to the House floor, and I think the first fact that will define the 1992 election choice is that for 4 years President Bush and the Republicans have been developing a reform program and in fact that reform program covers virtually every major area the American people are concerned about.

The second fact, as I said, I think there are four, is that the Democratic Party has become a block everything party, that as the liberal welfare state has decayed, as the interest groups, the public employee unions, the trial lawyers, the leftwing activists become more and more reactionary, more and more opposed to reform, that the track record of the Democratic Congress has been to block virtually every reform.

Jack Kemp's ideas to develop better opportunities for poor people to own their own homes in the inner cities, blocked in the Democratic Congress.

New proposals to have a real opportunity to create jobs, $5,000 tax credit for first-time home buyers to help create jobs, blocked by the Democrats in Congress.

Again and again, for reasons that are either ideological or interest groups or partisan, we have found the Democratic leadership organizing and working very hard to block reforms desired by the American people. That would be my second fact.

If fact No. 1 is that President Bush and the Republicans have been developing very specific, very real reform proposals, fact No. 2 is that the Democratic Party which controls Congress has been blocking those reform proposals.

I thought it was fascinating, if you think about the difference between facade and fact, look at the facade of the Democratic Party going to New York City, taking a tremendous number of Democratic Members of the Congress with them, one of whom was telling me today how much fun he had playing golf, but then avoiding putting the Speaker or the Democrat majority leader of the Senate, those who are in a position of power in a position to speak.

The fact is that the Democrats have controlled the House since Bill Clinton was 7 years old and AL GORE was 6 years old; that is right, from the time they were in the first grade until they became a Presidential ticket, the Democratic Party, their party, has controlled the House, and yet do you hear any talk about reforming the Congress, any talk about the responsibility for the weak economy in the Congress, any talk about the responsibility for too many lawsuits and too much litigation in the Congress?

No, because the facade the Democratic ticket would like to maintain is that they are somehow brand new and different and somehow they will change things from the current structure of leadership, which has in fact been in charge since 1954.

The third fact after the Bush and Republican reforms and the Democratic Congress is blocking everything, is that the Democratic ticket if it were to be elected would bring about real change, but it would be change, frankly, which would be very destructive for most middle-class working Americans.

The fact is that it would be wrong for America to build a bigger welfare state, to transfer more money to big city machines and their unionized bureaucracies with incredibly inefficient and sloppy work rules, that it would be wrong to raise taxes on working Americans and transfer the money to Government, that it would be wrong to dramatically increase foreign aid and send billions of additional dollars to Third World dictatorships that are corrupt and inefficient in many cases, that it would be wrong to increase the power of the trial lawyers, and that it would be from the standpoint of the values of most Americans wrong to have a dramatic increase in the number of liberal judges and the number of judges who are antideath penalty and who are committed to very liberal in-

terpretations, including in many cases quotas and other kinds of values which most Americans disagree with; and yet the fact is that the Democratic ticket would in fact impose and pass with the help of the Democrats in Congress precisely those proposals which would be wrong.

In fact, I would argue that America cannot afford the Democratic ticket.

I would suggest that the Democratic ticket in its proposal for a $150 billion tax increase by itself has proven it is too expensive. That is almost twice the amount of money Walter Mondale promised he would raise in taxes in 1984.

It is a sign of how much the world has changed that 8 years ago when former Vice President Walter Mondale stood up in the Democratic Convention in San Francisco and said, "I promise I will raise your taxes."

The amount he was talking about was about $80 billion.

Now you have a Democratic ticket which has promised to raise taxes by $150 billion. That is $70 billion more than Walter Mondale promised, almost twice as much.

I think one of the most fascinating aspects of the news media miscoverage of this campaign so far has been the effort to paint the Democratic ticket as moderate. Here is a ticket which is promising twice as big a tax increase, for all practical purposes, $150 billion compared to $80 billion, as Walter Mondale who everyone accepted was a big spending, big taxing liberal, and yet we are told that a Democratic ticket that wants a $150 billion tax increase is somehow moderate.

Makes you wonder about how liberal the person is who writes that or reports it.

Second, while Democratic candidates love to talk about taxing millionaires, let us look at what the Democratic ticket has talked in print in the Vice Presidential nominee's book about raising taxes on it. They have talked about raising taxes on gasoline. Well, to the best of my knowledge in America lots of folks other than millionaires ride cars, ride trucks, ride to work and a gasoline tax increase is one of the most unpopular tax increases in America, and yet it is the very first thing mentioned in the Vice Presidential candidate's new book.

They talk about raising the tax on fuel oil. Again I would suggest, fuel oil, at least for those folks who are in northern climates where they worry about the winter, is often seen as a necessity. A tax increase on fuel oil does not just hit the rich, it hits every American.

They talk about raising taxes on electricity. To the best of my knowledge, certainly in Georgia, millions of people who are hardly millionaires use electricity. They use it for their lights, their ovens, their microwaves, their television, their air-conditioning, lots of things people use electricity for who are not exactly millionaires.

They talk about raising taxes on natural gas. I know many people, including myself, who may cook with natural gas.

You go through the items, gasoline tax increase, the Democratic ticket favors it.

Increase the tax on heating oil, the Democratic ticket favors it.

Increase the tax on electricity, the Democratic ticket favors it.

Increase the tax on natural gas, the Democratic ticket favors it.

Increase the tax on coal, the Democratic ticket favors it.

I wonder in West Virginia, in southern Illinois, in Pennsylvania, western Pennsylvania, how many folks are going to be excited in parts of Kentucky, West Virginia, how many folks are going to be excited by an increased tax on coal?

In Oklahoma, California, Texas, even in Arkansas where there is a good bit of natural gas, Louisiana, how many folks are going to be excited by the opportunity to have a tax increase on oil and on natural gas?

Everywhere in America where people ride to work, but especially in rural America, where people are going to ride very long distances in their pickup trucks or in their vans, how excited are they going to be by the Democratic ticket's promise of a tax increase on gasoline?

Now, I do not believe we can afford the Democratic ticket; but when you look at what they are going to use the tax increase for, I think it becomes even less affordable.

The fact is the Democratic nominee went to the Democratic big city mayors in a public speech and promised them $50 billion more than they have currently. They had asked for $35 billion. He actually offered them $15 billion more than they asked for.

I do not know how many Americans believe that New York City is so well run, so efficient, so reformed, that its bureaucracy is so trim and so lean that we need to raise taxes on every working American, to send more money to the Democratic mayor of New York and the Democratic machine.

I do not know how many people believe that Detroit or Philadelphia are so well run that we need to send more money, or for that matter that Atlanta is so well run that we need to raise taxes to send more money to the big cities.

□ 1820

I do believe the big cities could be reformed. I do believe we could apply the same kind of restructuring, the application of technology, quality, good management that is affecting IBM, Ford, General Motors, and virtually every manufacturing company.

If we apply those ideas of restructuring to the governments, the Federal Government, the State governments, big city governments, we could save an amazing amount of money and would not have to raise taxes.

But that is probably an idea which the Democratic ticket's strong supporters in the Federation of County, State, and Municipal Employees would find very, very unacceptable. I notice that when the Democratic Presidential candidate visited the public employees union, he promised that he would not cut jobs in the cities. He talked about cutting jobs in Washington, but not in their cities and not amongst their union members.

Now, I do not think we can afford that. But then when you look at the Democratic Vice Presidential nominee's suggestion that we need to dramatically increase foreign aid to Third World countries, it makes you sort of wonder. Most Third World governments would not be able to spend the kind of money that the Democratic Vice Presidential nominee suggests.

Our record of transferring money from our bureaucracy to their bureaucracy does not exactly encourage people to believe that the money will be well spent.

So, whether you take the appointment of very liberal judges, judges who would have presumably been acceptable to Jesse Jackson and Teddy Kennedy, whether you look at the kind of tax policy that would raise taxes—and by the way, I believe it would kill jobs, I believe the Democratic tax increase program would deepen the recession, would kill over 1 million jobs and would actually put more Americans out of work and make our economic problems even worse—or if you look at the programs of strengthening and propping up the big city bureaucracies on site after site after site, I believe the fact, No. 3, is that we cannot afford the Democratic ticket and that measured by values or measured by pocketbook, the American people need to look very carefully at the Democratic ticket before the think they can vote for it.

If I may use a simple analogy, I happen to have a weight problem, a constant weight problem, constantly trying to lose weight. I like ice cream too much. I feel I can identify with particularly the baby-boomers, getting a little older, we want to lose weight. "Dr." Bush, our President, has not really gotten to our problem as well as we would like. So we are uncomfortable. We do not think we are on the right track, and we are frustrated.

Now, a large part of the reason that "Dr." Bush has not been able to help us as much as he would like or we would like is because the block-everything Democratic Congress has been blocking a lot of the medicine that "Dr." Bush would like us to have. But nonetheless, he has not gotten it done.

So we look at this new team: Two young, eager doctors who are terrific, with their house-call manners, they are genial, pleasant, make us feel good, and they have a way to get us to lose 25 pounds, instant 25-pound loss.

They do not tell us the details. They do not want us to look at the details. But they come in and say, "Bet you want to feel better; got an idea for you. You trust us, vote for us, and you will feel better."

Now, the prescription is, frankly, they cut off your right leg. It is true you lose weight, but it is not exactly what you had in mind. They do something you would not have done voluntarily. Now, basically, the Democratic ticket's battle plan is to smile and cheer and attack George Bush and get through the election without telling any details about what they are going to do.

For example, it would be fascinating, the first time people ask the Presidential candidate about the Vice Presidential candidate's proposal to raise the gasoline tax. It will be intriguing the first time we look at the $150 billion tax increase on the ticket and start asking individual Members of Congress, "Are you going to vote for a $150 billion tax increase?"

It will be interesting to look at the fact that the Democratic Presidential candidate has already named one potential Supreme Court judge he would name, a man who is deeply opposed to the death penalty. The question is asked: Why are you going to put on the Supreme Court somebody who is deeply opposed to the death penalty? And is this a little bit like Jerry Brown with Rose Bird in California, something that changed the whole nature of the California Supreme Court for a decade?

And I think you will find that the Democratic ticket is not going to particularly want to stand up and say, "Yes, these are our values; yes, these are our plans; in fact, this is what we are going to do." Their hope is that if they can keep people angry enough at Bush for the next 90 days, that people will not notice that the Democrats have controlled the Congress for 38 years and people will not notice that the values and the programs of the Democrats are in fact, as a ticket, going to be very destructive to working middle-class Americans.

Nor will the Democrats want to talk about the Democratic Budget Committee chairman's proposal which has built into it an automatic tax increase for middle-class workers, a tax increase which, if we had a Democratic President and a Democratic Congress, and if that Democratic President and Democratic Congress had the same economic track record as the last Democratic President and Congress, it would mean a 79-percent increase in the taxes paid by a family of four at $30,000 a year; 79-percent increase over a 4-year period if in fact the next Democratic President matches the Carter years in inflation and in the increase in tax rates on the middle-class family.

Now, they also will not want to talk about the Democratic Budget Committee chairman's proposal for a cut in the social security matter. Yet it is right there. It is a bill introduced in the Congress. It is real, and it is available right now for anyone who wants to look at it. But I do not think you are going to see the Democratic ticket telling you about those kinds of details.

So, if point one was the President, President Bush, has been sending reforms to the Capitol for 4 years, that we can verify them, we can show you the dates, we can show you the bills, we can show the specific reforms; and if point two is that the block-everything Democratic leadership has blocked those reforms now for 3½ years; if point three is that the Democratic ticket in fact represents a direct threat to your pocketbook, a direct threat to your jobs and direct threat to your values, let me now come to point four.

Point four is that there is a Republican plan of action for the first 90 days of 1993. Congressman BOB MICHEL, the Republican leader in the House, has already said that he is prepared the very first day he is sworn in as Speaker, after 18 years of one-party Democrat control, he is prepared the very first day to cut the congressional committee staffs by 50 percent, to abolish four select committees, and to pass a bill the first day that will apply to the Congress every law which applies to the rest of the country. That is right, it will actually mean that the country will at that point be able to look at Congress and know that Congress is in fact going to obey the same rules.

There is a fascinating article this week in Roll Call, where Congressman JOHN BOEHNER, Republican from Ohio, asked OSHA to come in and talk about what is wrong with his office. If they applied to his congressional office the same standards they apply to a small business, what would happen?

It is a wonderful article. I wish I had it with me. I would on a future evening encourage Congressman BOEHNER to come over and to share it with his colleagues and with the country because the Occupational Safety and Health Administration, as their inspectors looked at a congressional office, they found an office that would not pass inspection compared to any small business.

Yet, today Congress is exempt from precisely those requirements. And so I want to suggest that what Congressman BOB MICHEL is guaranteeing, which is that on the very first day as Speaker, after 38 years of Democratic control, he would vote to cut the congressional committee staff by 50 percent, abolish four committees, and apply to Congress every law which applies to the rest of the country, that is the kind of change the American people want, and frankly if the Democrat wanted to make those changes, they could bring them to the floor tomorrow and pass them. But they do not want to make those changes. They want to block those changes. And they have been blocking them.

Second, the Republican team is committed to passing an economic growth proposal to create jobs in the first 90 days of 1993, a proposal which has been blocked by the Democratic leadership. The Republican team is committed to passing a significant health reform bill which will dramatically improve access to health care and lower the cost of health care in the first 90 days of 1993.

The Republican team is committed to passing workfare reform and learnfare reform to replace the current welfare system with a new transition program that breaks the cycles of welfare and breaks the attitude that you can get money for doing nothing.

The Republican team is committed to passing in the first 90 days of 1993 a very strong educational reform bill to open up the system to real innovation and real change so our children can compete in the world market.

The Republican team is committed to passing in the first 90 days a balanced budget constitutional amendment. Unlike the Democratic leadership, which blocked the constitutional amendment and convinced 12 Democrats who had cosponsored the amendment to turn their back on the bill they cosponsored and vote against it, the Republican leadership would be committed to passing a constitutional amendment to require a balanced budget in the first 90 days of 1993 and send that constitutional amendment to the State legislatures to be adopted in 1993. And we would be committed to passing a 4-year budget which would allow the President to control spending, bring spending under control and give the President a chance at the line-item veto, to be able to cut out wasteful spending so over a 4-year period of the next Presidency we would get to a balanced budget, to match the constitutional amendment to require a balanced budget.

□ 1830

Mr. Speaker, I say to my colleagues, "These are the kind of specific, real changes, changes which help the American pocketbook, they don't hurt it; changes which lower taxes, they don't raise them; changes which cut spending, they don't increase it; changes which fit the values of the American people, they don't run over the values of the American people. These are the kinds of changes that a Republican team, if it were given control of the House, and the Senate and the White House, would be willing to pass before Easter of 1993."

So, in summary, Mr. Speaker, there are four simple principles as we look at the 1992 election:

First, it is a fact that President Bush and the Republicans have sent up a number of reform proposals; second, it is a fact that the Democratic leadership has blocked those reform proposals and, in numerous cases, blocked them for 4 consecutive years; third, it is a fact that the Democratic tickets and platform would raise taxes, raise spending, increase the deficit, and establish left-wing values in our court system and our public policy; and, fourth, it is a fact that there is a Republican team which has already pledged that, if it is given control of both the legislative and executive branches, that it will in the first 90 days dramatically change things, change Washington, and in fact establish the kind of reforms that most Americans want.

I hope that as the American people watch this Presidential campaign, as the American people look at the effort to develop new proposals, that they will measure the two tickets against facts, that they will look beyond personality.

I am not asking anyone to vote Republican. I am asking people to vote for themselves, their children, and their country. I am asking people to look carefully at the facts and then decide what they think should be done.

HOUR OF MEETING ON TOMORROW

Mr. HOYER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 9 a.m. on tomorrow.

The SPEAKER pro tempore (Mr. PAYNE of Virginia). Is there objection to the request of the gentleman from Maryland?

There was no objection.

THE SITUATION IN YUGOSLAVIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, we watch daily—with frustration, anger and horror—as shells and bullets rain down on the people of Sarajevo and elsewhere in Bosnia-Hercegovina, flooding their beleaguered communities with blood and rubble. It seems that no group—including a busload of orphaned children attempting to flee the fighting—has been excluded as a target of the perpetrators of this violence.

Bosnia-Hercegovina once encapsulated perhaps the grandest blend of Europe's diverse cultural heritage. Today, it is the most recent setting for the extreme hatred and intolerance that has all too frequently exploded with violence on the European stage over the centuries.

America and the rest of the world are now contemplating what action can be taken to stop the bloodshed—which Bosnian Foreign Minister Haris Silajdzic has described to me as a Serbian attempt at ethnic cleansing. This is a question for which there are no easy answers. Should we intervene directly and forcefully with a multilateral and limited peacemaking effort?

There are certain risks with any direct involvement, but they must be weighed against our country's strong national interest in peace in the Balkans, as well as our moral obligation as a world power to take effective action when masses of people are being so senselessly slaughtered. The alternative to the use of military force, it seems, is to stand by and watch as the combatants annihilate each other and thousands of innocent people in their way.

Putting aside these difficult questions for the moment, I believe there is one step we can immediately take to punish those individuals who, under the veil of war, have committed unspeakable atrocities against innocent men, women, and children throughout the former Yugoslavia: we can hold them personally accountable for their crimes against humanity.

President Bush and the leaders of 50 other member States of the Conference on Security and Cooperation in Europe reaffirmed their commitment to this principle at last month's summit in Helsinki. With the carnage in Bosnia growing more horrific each day, and the prospects of a negotiated cease-fire faltering, we should act now by launching an international effort to investigate violations of international legal standards in the former Yugoslavia.

We should seek to detain those held responsible for crimes against humanity and establish an international tribunal where they could be tried and given commensurate punishment if convicted.

The tribunal could be set up under U.N. auspices, perhaps with the assistance of the European Community, the Council of Europe and the CSCE.

There are sufficient and appropriate international legal grounds to prosecute the perpetrators of Bosnia's agony: the post-World War II Nuremburg Charter criminalizes crimes against peace, the planning, preparation and initiation of a war of aggression; war crimes, the murder of prisoners of war and innocent hostages, plunder of property and the wanton destruction of cities, towns and villages; and crimes against humanity, murder or other inhumane acts committed against any civilian population, or persecutions on political, racial or religious grounds linked to crimes against peace or war crimes.

The so-called fourth Geneva Convention, which provides for the protection of civilians in times of conflict or occupation, is also relevant in this regard. This convention prohibits the wilful killing, torture or kidnapping of innocent civilians, as well as extensive destruction or appropriation of property not justified by military necessity and carried out unlawfully and wantonly.

It also bars individual or mass forcible transfers, as well as deportations of protected persons from occupied territory, regardless of the motive.

In addition, the Genocide Convention provides for the punishment of those who commit acts intended "to destroy, in whole or in part, a national, ethnic, racial or religious group * * *", regardless of whether these perpetrators are "constitutionally responsible rulers, public officials or private individuals."

Tragically, the crimes I have just listed are being carried out against the people of Bosnia, and have taken place in the last year in Slovenia, Croatia and in Kosovo.

I cannot list here, Mr. Speaker, all of the suspects for whom investigation and arrest would be warranted. But certainly first on the list of suspects is Serbian leader Slobodan Milosevic, who seems most responsible for the bloodshed, repression and anguish that have shocked the world and left Europe paralyzed with fear and indecision.

Other members of Serbia's Government also deserve priority investigation for their activities, as do individuals suspected of committing international crimes as members of paramilitary groups; the Yugoslaw Army; the Serbian police; Croatia's police and army; and even Muslim military units.

Groups such as Helsinki Watch and Amnesty International have been seeking to document these abuses, and the results of their efforts could be of invaluable assistance.

Also put to use should be evidence the U.N. peacekeeping forces claim to have regarding militants who, in breaking agreed ceasefires, have committed the hideous act of attacking civilians of their own ethnic group to make the opposing side appear as the culprit.

The United Nations, the European Community and the International Committee of the Red Cross may have evidence of who attacked their clearly identified personnel, vehicles and convoys in violation of specific provisions of international obligations.

There are undoubtedly many witnesses to these crimes among the more than 2 million refugees and displaced persons this war has created.

Some may scoff at any proposals not backed up by force. And of course, Milosevic and his henchmen are not going to surrender or be easily brought to trial. But we must at least brand war criminals with the label they deserve. We have an obligation to their victims, both the dead and the living, to send a message all over the world that waging war against civilians will not be forgiven nor forgotten.

Mr. Speaker, we need to undertake this effort because where there is not justice, vengeance will most certainly reside. The level of violence we have recently witnessed in the former Yugoslavia is unprecedented since World War II. In fact, the atrocities which have been committed against civilian populations during this conflict invoke horrifying memories of Adolf Hitler's holocaust.

These atrocities will no doubt pass on a desire for vengeance to new generations that otherwise might have proceeded to build free and prosperous societies. Thus, without giving them both the satisfaction—and the deterring example—of justice now, we can be virtually assured that there will be more violence in the future.

Finally, Mr. Speaker, I would like to praise the Democratic Presidential candidate, Governor Bill Clinton, for his well thought out plan for the former Yugoslavia.

Governor Clinton has called for a tightening of the economic blockade against Serbia and Montenegro, granting authority to United States and European naval forces to search ships that may be carrying contraband, and making a determined effort to convince neighboring states to abide by the embargo.

Finally, Governor Clinton states that if the Serbs persist in violating the cease-fire, America should take the lead in seeking U.N. authorization for air strikes against the attackers.

Although a Bush administration spokesman—in a partisan mode—labeled Mr. Clinton's plan as reckless, Secretary of Defense Cheney has actually endorsed some of the same ideas. I believe it is time to implement these ideas.

□ 1840

Mr. Speaker, it is time to act. Indeed, it is far past the time to act.

Mr. Speaker, I am pleased that as Chairman of the Helsinki Commission I had the opportunity of discussing with Mr. HAMILTON, Mr. FASCELL, the chairman of the Committee on Foreign Affairs, and others deeply interested in this question, actions that we can take in the short term and in the long term.

Our President acted decisively in exercising leadership when Saddam Hussein, who was likened to Hitler by the President, invaded Kuwait in violation of international law. International law is daily as recklessly and egregiously being violated in Bosnia, Croatia, Kosovo, and other areas, to the detriment of millions of people who live in that region.

Let us together in a bipartisan fashion stand up and say that we will hold culpable and accountable those persons who murder and pillage in the name of either nationalism or some other political goal. Let us together in a bipartisan fashion, acting together within the international community, bring to a halt the carnage that is the former Yugoslavia.

NEW COMMITMENTS TO AMERICA NEEDED

The SPEAKER pro tempore (Mr. PAYNE of Virginia). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, Congress will adjourn, recess certainly, next week, on August 13, or before. We will return in September for between 30 and 45 days to complete this session. But this is an election year and something special ought to be made to happen between now and the time we adjourn.

This is an election year. All of the Members of the House of Representatives are up for reelection and one-third of the positions of the Senate are up for reelection. Of course, most important in this 1992 election year, the President and the Vice President are up for election. The least we could do in this remaining period of time before the Congress adjourns is to make some commitments to the American people, to the voters, that are substantial and are in response to their expressed anger or their expressed concerns.

Commitments should be made before the adjournment. Whether we can follow through on those commitments or not we cannot guarantee. We have an executive branch, we have a legislative branch. Nobody can guarantee that we are going to be able to deliver, but at least the commitments ought to be made and they ought to be clear before the voters go to the polls in November.

I think the voters have acted in a very magnificent way. The American voters have proven once again that they are the most intelligent people on the face of this Earth. Our voters have demonstrated that they have a certain bedrock intelligence, an enduring common sense, that knows long before its leaders know that something is radically wrong, that the Nation is on the wrong course, that things are topsy-turvy in Washington, and in many places we are doing exactly the opposite of what we should be doing.

So the voters should not be ignored. The leaders should not turn their backs on the obvious, that the voters have indicated with their common sense. Despite all of the hype and the public relations, sound bites, the continuing attempts to brainwash into believing that the economy is really not in trouble, that it is going to get better tomorrow, tomorrow, and tomorrow, the voters know better. The voters have expressed the fact that they understand we are in real trouble and we need some action, and we need it now.

The voters have indicated that they understand that we are about to enter what the President has called a new world order. It is perfectly fitting and proper that we talk about a new world order, because, after all, the evil empire is no more and the voters want to know what we are going to get as a benefit from the ending of the cold war, what we are going to get as we enter this new world order.

The voters have communicated their anger in general. They cannot be specific. They do not know everything that is wrong, but they certainly have let us know in numerous ways, and certainly the polls day after day show that they are very much dissatisfied with the status quo. They are dissatisfied not only with the executive branch of this administration, but they are dissatisfied with the leadership in Congress and Congress as well.

The message from the voters is they are human, that they can be fooled, they can be deceived for a long time. Maybe they have been deceived for more than a decade. But enough is enough. Now the voters say they want some meaningful, concrete action. The common sense of the American people has risen to the surface, and that common sense is what nobody in the White House can comprehend. Common sense is on the march. When common sense is on the march, all of the dissensions and the hype and the sound bites cannot turn it around.

□ 1850

The voters have let it be known that their attention cannot be diverted from bedrock bread-and-butter issues. The game is over; no longer play the game. The Olympiad of hypocrisy and public relations hype is over. We will no longer accept brainwashing by the sound bite or screaming from the bully pulpit.

We need substance. The voters demand substance. They have sent the message again and again to both the Democratic Party and the Republican Party, to both the Congress and executive branch.

It started in Pennsylvania, a clear message was sent with the election of HARRIS WOFFORD to the Senate, where the issue of health care, a national health insurance, something dramatically different from what we have now, the voters let it be known that they wanted it very badly.

It was the overwhelmingly decisive factor in an election for the U.S. Senate. The message was there.

But the administration, the executive branch wants to run away from that and ignore the voters. We do not want to make a commitment between now and the end of this session. The leadership of the Congress have indicated they want to play the issue, but they are not serious about dealing with what the voters have indicated.

The voters want a meaningful change with respect to national health care.

The voters want change with respect to the bedrock bread-and-butter issue of jobs and employment. The voters want us to stop talking about education and to go ahead and do something about education.

The voters' common sense tells them that there can be action now. There is no need to wait. There is no need not to make a commitment now.

The voters want the new world order to begin now. The voters want the benefits of ending the cold war to begin now.

Between now and election day in November, I want to say to all of the voters out there that they are right and they should not let anybody turn them around. Do not let anybody make them believe that their anger is not justified. No voter should allow anybody to make them believe that their common sense is not superior to whatever has been happening here in Washington.

Their common sense is on target. There is no reason why we cannot move right away to deal with the problems of unemployment and to create jobs in this Nation. There is no reason why the commitment cannot be made by both the Congress and the executive branch.

Certainly, it is too late now to jump-start the economy so that by November we see a difference of some magnitude, but why not make the commitment? Why not do what the voters know with their common sense has to be done?

If all else is failing and the marketplace is not providing jobs, then the obvious thing to do is for the government to provide the jobs. The Government must provide the stimulus.

We know already how it is done. Why are we waiting? We know already that we can stimulate the economy by spending more money for public benefits. We have numerous needs out there to be met.

We need highways. We need bridges. We even have a law, which is authorized, to address that. We can accelerate that law. Put more people to work.

The Intermodal Service Transportation Act is there. Why not take the steps to move it faster?

We know that we need dramatic improvements in our educational system. Part of those improvements relate to very concrete kinds of things like buildings. We need to build more buildings. Those buildings need to be equipped with lab equipment. Those buildings need libraries with books. Those buildings need all kinds of facilities which will have a ripple effect on our economy. Why do we not go ahead and begin to build schools?

Why do we not go ahead and begin to provide for books and laboratories and lab equipment and all the things that those schools need, spend the money, stimulated through a government funding process, and get the economy moving again?

We know we need it. Why do we not do it?

Health is an industry as well as a service. This Nation lags behind all other industrialized nations except South Africa in terms of the provision of health care to its citizens. Every other industrialized nation except South Africa and the United States has some kind of national health care program which covers all of their citizens.

Health is an industry which, if we begin to fund properly, will provide millions of jobs, millions more jobs and, at the same time, it will end the anxiety out there that so many of our citizens feel about health care for themselves, for their children, for their older parents.

The anxiety factor taken away would increase the productivity of our workers. The anxiety factor removed or lifted off the burdens of small businesses would enable those small businesses to hire more people and provide more jobs because they would not have to worry totally about providing the health care and other fringe benefits related to health that they must provide now.

The health care industry is an industry that would circulate and recirculate amounts of money within the local economy as well as the national economy. So why do we not move ahead with these three major concerns of the voters?

The voters have made it clear that they want a government that is willing to move ahead and make the difference in these areas. Why do we not move ahead? Why do we not at least make the commitment for a national health insurance program now, between now and November, the election in November, a national health insurance program which, if it does nothing else, makes a commitment, a commitment to cover every citizen between now and the year 2000?

If we have to spread it out, and I do not think we should, I think tomorrow, as soon as possible, every American citizen ought to be equal to every Japanese citizen, be covered with some kind of health care plan. Every American citizen ought to be equal to every citizen of Great Britain or every citizen of France or every citizen of Germany.

They ought to be equal to every citizen of Canada and have coverage for basic health care tomorrow.

We are the richest Nation in the world. Nothing like America has ever existed. It is not a problem of money, because we spend twice as much on our health care system as the Canadians spend on theirs.

Among the other industrialized nations, the Canadians have the most expensive, other than the United States. But whereas the Canadians spend a lot for health care, they cover everybody. Everybody is covered, and the per capita cost of their coverage is one-half of the amount of money we spend per capita in this Nation. And yet we leave 40 million people uncovered.

It is immoral for a nation as rich as the United States to not cover every citizen with some basic health care. It is immoral.

It would not be immoral for Haiti because Haiti does not have the resources. It would not be immoral for most of the countries of the world that are underdeveloped or developing. They do not have the resources. They cannot undertake it. But there is no reason why the United States of America cannot join the other industrialized nations and guarantee to every citizen that they are covered for basic health care.

It would not bankrupt the country. It would indeed improve the economy.

We have had a tremendous defense burden that we have borne in the interest of every American to protect every American. There is no reason why, with that tremendous defense burden lifted from our shoulders, we cannot move more immediately to shut down our defense apparatus in certain places where it is obviously no longer needed and to transfer these tremendous resources into activities like education, job creation, and, of course, health care.

Between now and the end of the session, between now and the election in November, I would like to see the Democratic leadership, I would like to see our party come forward and translate in more detail our party platform.

I am proud of the fact that we have a vigorous ticket running, proud of our candidates. I am proud of our platform. Its general language is certainly pointed in the right direction.

But the general language of the Democratic platform, including its revolutionary introduction, is not enough. The voters, all voters, everybody who is potentially going to go to the polls in November should demand that the Democrats as well as the Republicans spell out in more detail how we are going to address the concerns which the American voters have made it clear are on their minds.

□ 1900

They have certain clear-cut concerns. Among those concerns is health care. We want a more definitive statement on health care. We want a commitment from the Democratic leadership. We want a commitment from the Democratic candidates that every American citizen in going to be covered with some basic health care between now and the year 2000, at least. We want that commitment before the election.

No American voter should consider it unreasonable to ask that of any candidate. We have several health plans that are circulating here on the Hill. We have a plan which is called the single payer plan. Some people know that

as the Russo plan, because it was introduced by my colleague, the gentleman from Illinois [Mr. RUSSO].

The single payer plan is the plan which is the closest to the Canadian health plan. The Canadian health plan, I think it is important for us to take a look at that, because they breathe the same air we breathe here in the Western Hemisphere. They are right next to us. They have a democratic government. They have a market economy. Their market economy is now intermingled with ours. Step by step we are breaking down all the barriers. Pretty soon there will be one market economy for both Canada and the United States.

If Canada is not afraid that a universal health care program will bankrupt them, then why should we be afraid? The Canadians have had universal health care for 20 years, 20 years, and it has not destroyed the economy of that country. The citizens, indeed, made that quite clear.

I was fortunate enough to go on a trip with members of the Committee on Government Operations headed by the gentleman from Michigan [Mr. CONYERS] to visit the Canadian health care providers and the government at every level; to hospitals, to clinics. We walked through the whole system. The people made it quite clear at every stage that the one thing you had better never try to take away from the Canadian people is their health care system. The one thing that would cause a revolution in the streets, the one thing that would cause them to overthrow the Government, would be an attempt to take away their health care system.

The most important thing they have, they say, the most important thing they receive from their Government is health care, a universal health care system. That health care system, again, provides coverage for everybody from the cradle to the grave, everybody.

The health care system has been in place for 20 years. It costs one-half as much as we spend per capita in the United States. There is no reason why every voter out there in America should not rise up and demand that between now and November. Everybody in Washington claims that they are interested in a democracy which is responsive and reflects the will of the people. There is no reason it cannot make a commitment to a health care system which covers every single American.

The Canadian health care system is not perfect. It is an ongoing situation which is being corrected and adjusted, but the commitment is there. It is not true that there is no choice in that system. There is a whole lot of choice. It is not true that people have to suffer because of the fact that they cannot walk in and get certain kinds of services. Their system is far more rational than ours.

People have to wait, sometimes, when in the judgment of the medical specialist they can wait, but nobody has to suffer the way that people in our system suffer who are not covered at all. Nobody has to walk away from a hospital because they cannot pay the bill. Nobody has to refuse to take their children because they do not want the bill to come later.

There is no dual system of health care in Canada, where Medicaid is second-class health care and doctors say, "Do not come to my door. I don't want Medicaid patients, because I don't give second-class health care. I can't afford to give care below cost."

We have created with the Medicaid system a second-class health care system and a second-class health care system is a deadly system. If needles are not sterilized properly, if you cannot get the right medicine, if things are not done right, you are worse off in that kind of system with second-class care than you would be with no care at all. We should move to end the second-rate Medicaid system and have one system of universal care coverage, as they do in Canada.

In Canada, prescriptions are not available to everybody, but all senior citizens get prescriptions free, all senior citizens. All children get whatever prescriptions they need free. All children get innoculations that they need free.

In my district in Brooklyn we have a measles epidemic. In my district in Brooklyn we have a tuberculosis epidemic, in America, in 1992. We have outbreaks of measles among children because they are not getting the innoculations that they should be getting. What was routine when I was a kid, we had advanced that far, we could take it for granted that the government we going to provide the money necessary to give innoculations. That has been cut off.

Tuberculosis was wiped out once. We had it all licked. Now, because of inadequate care, tuberculosis has returned as a threat in America, in rich America. In America which provides defense for the whole world, we are not able to guarantee that a disease with a long career like tuberculosis will not run rampant in our urban centers. It is not just my district, but you will find tuberculosis is rampant in big cities throughout the country.

We have AIDS that has raised its head, an ugly specter which not only threatens certain classes of people, but the AIDS virus is changing every day. Beware. They now have a new virus that they cannot detect. They see the results of it but they do not pinpoint where it comes from.

What happens next if we do not move effectively to put all our resources forward to find a cure for AIDS? What happens when they get an airborne germ which causes AIDS, as the mutation of the bacteria continue rapidly? We are all at risk.

There is no reason why we cannot head off many of these fiascos by moving to institute a universal health care program. In Canada, everybody has the right to a hospital room. It has four beds in it. If you want two beds in a room, you can pay a little more. If you want to be in a single room, you can pay a little more and get that, but everybody, regardless of how poor they are, they have a right to hospital care.

Everybody has a right to open heart surgery, regardless of the cost. Everybody has a right. Regardless of the cost of medication, if you have some long-term chronic illness, everybody has the right to medications.

Canada is not as rich as the United States of America, but they are able to do it, and their economy has not been bankrupt. Their citizens are healthy, happy, and they do not seem to be straining under the weight of some socialized health program.

The best we have been able to offer so far as Democrats, however, is a plan that has been circulating which I am told has more consensus than any other plan, which is called the Health Care Cost Containment Reform Act of 1992. I think the authors of the Health Care Cost Containment Reform Act of 1992 ought to be congratulated. There is a lot of imagination shown here. There is movement off dead center shown here, but I am sorry, I do not think that the Democratic Party, the Democratic leadership of Congress or anybody else in America, should be allowed in 1992 to go to the people and not make a commitment to cover all Americans with basic health insurance.

This plan does not do that. This plan is basically flawed, because it expands health care benefits to the point where it will never cover any more than half of the uncovered citizens out there now.

Right now we estimate there are 40 million Americans not covered, 40 million. Common sense, the common sense that voters have, will tell you that every day when one person loses a job you get an increase in the number of uncovered people, because the people who are covered are mostly covered by their employers and by the plan that is associated with their jobs. As the unemployment rate goes up, so does the number of people who are not covered, so we do not have 40 million people uncovered today, we have many more than that.

Nevertheless, our Democratic leadership plan, Health Care Cost Containment Reform Act of 1992, only promises to cover one-half of those who are uncovered by 1998. We are going to have to wait until 1998, and the ultimate coverage will only cover one-half of the uncovered. Millions will be still left uncovered. Common sense should tell every voter that this is not acceptable.

This plan also says there is going to be a Medicare plan for children, health insurance plan for children, and the premium for that plan for children will be based upon the actuarial cost of the program, assuming that all the children of the Nation are participating. In other words, we are going to provide a Medicare program for children similar to Medicare, but you have to pay for it. Our Democratic model looks good on paper, "Health care that families can afford." But what does that mean?

□ 1910

Most families cannot afford health care the minute a chronic illness develops or a major operation has to be undertaken by a member of the family. What does it mean to say we are for health care that all families can afford? Let us spell it out.

Common sense is what we need to keep in the forefront, common sense that on Earth the fact is that we have a grossly inadequate system with respect to a national commitment to health insurance and health care, and common sense must still prevail.

There are numerous, millions of senior citizens covered by Medicare who need relief because Medicare does not go far enough. There are numerous human beings out there who are covered by Medicaid who are in danger of dying from second-class health care because it is worse than no health care at all. And then there are all of those millions who are uncovered, who should have more of a commitment from all of the people in Washington, the administration, the executive branch, and the Congress. That commitment should have a minimum definite timetable for the coverage of every American citizen with health care.

I want to conclude by congratulating the American voters. Nobody in the world, no other people in the world are more intelligent. And they never fail to rise to the occasion at the proper time.

We have been fooled and hoodwinked for some time. We let Willie Horton messages divert us. We let messages about choice, and non-choice, and pro-life, a number of things that should be left to private considerations divert us from the bedrock, solid issues that ought to be considered. But that is all over.

The voters have been awakened. The voters should understand that they are on the right track, they are targeting the right problems. Do not let anybody tell you that there is more sense and more logic, more wisdom in Washington than there is among yourselves. The voters are angry. Your anger is justified. You have pinpointed some targets, and one of those targets is national health insurance. Do not settle, do not let any candidate tell you that you ought to settle for less than total health care coverage for every American citizen.

Mr. Speaker, I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BARNARD (at the request of Mr. GEPHARDT) for today and August 6, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HERGER) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 5 minutes today, in lieu of 60 minutes previously agreed to.

Mr. BURTON of Indiana, for 60 minutes, on September 9, 10, 11, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29, and 30.

(The following Members (at the request of Mr. ABERCROMBIE) to revise and extend their remarks and include extraneous material:)

Ms. PELOSI, for 5 minutes, today.

Mr. JENKINS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. STALLINGS, during debate on H.R. 5334 today.

(The following Members (at the request of Mr. HERGER) and to include extraneous matter:)

Mr. BLAZ.

Mr. LAGOMARSINO.

Mr. TAYLOR of North Carolina.

Mr. RINALDO.

Mr. BURTON of Indiana.

Mr. CRANE.

Mr. SKEEN.

Mr. OXLEY.

(The following Members (at the request of Mr. ABERCROMBIE) and to include extraneous matter:)

Mr. PETERSON of Florida.

Ms. SLAUGHTER.

Mr. SWETT.

Mr. TRAFICANT.

Mr. LIPINSKI.

Mr. SWIFT.

Mr. HAMILTON.

Mrs. SCHROEDER.

Mr. FASCELL.

Mr. MAZZOLI.

Mr. ATKINS.

BILLS AND JOINT RESOLUTIONS TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On March 4, 1992:

H.R. 2092. An act to carry out obligations of the United States under the United Nations Charter and other international agreements pertaining to the protection of human rights by establishing a civil action for recovery of damages from an individual who engages in torture or extrajudicial killing;

H.R. 4113. An act to permit the transfer before the expiration of the otherwise applicable 60-day congressional review period of the obsolete training aircraft carrier U.S.S. Lexington to the Corpus Christi Area Convention and Visitors Bureau, Corpus Christi, Texas, for use as a naval museum and memorial;

H.J. Res. 343. Joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day";

H.J. Res. 350. Joint resolution designating March 1992 as "Irish-American Heritage Month"; and

H.J. Res. 395. Joint resolution designating February 6, 1992, as "National Women and Girls in Sports Day."

On April 1, 1992:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

On April 10, 1992:

H.J. Res. 410. Joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A.";

H.R. 3686. An act to amend title 28, United States Code, to make changes in the places of holding court in the Eastern District of North Carolina; and

H.R. 4449. An act to authorize jurisdictions receiving funds for fiscal year 1992 under the HOME Investment Partnerships Act that are allocated for new construction to use the funds, at the discretion of the jurisdiction, for other eligible activities under such Act and to amend the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed housing projects that have provided a section 8 financial adjustment factor to use recaptured amounts available from refinancing of the projects for housing activities.

On April 16, 1992:

H.R. 4572. An act to direct the Secretary of Health and Human Services to grant a waiver of the requirement limiting the maximum number of individuals enrolled with a health maintenance organization who may be beneficiaries under the medicare or medicaid programs in order to enable the Dayton Area Health Plan, Inc. to continue to provide services through January 1994 to individuals residing in Montgomery County, Ohio, who are enrolled under a state plan for medical assistance under title XIX of the Social Security Act; and

H.J. Res. 402. Joint resolution approving the location of a memorial to George Mason.

On May 1, 1992:

H.R. 2454. An act to authorize the Secretary of Health and Human Services to impose debarments and to take other action to ensure the integrity of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes; and

H.R. 3337. An act to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes.

May 6, 1992:

H.R. 2763. An act to enhance geologic mapping of the United States, and for other purposes.

On May 7, 1992:

H.R. 4184. An act to designate the Department of Veterans Affairs Medical Center located in Northampton, Massachusetts, as the "Edward P. Boland Department of Veterans Affairs Medical Center";

H.J. Res. 430. Joint resolution to designate May 4, 1992, through May 10, 1992, as "Public Service Recognition Week"; and

H.J. Res. 466. Joint resolution designating April 26, 1992, through May 2, 1992, as "National Crime Victims' Rights Week."

On May 13, 1992:

H.J. Res. 371. Joint resolution designating May 31, 1992, through June 6, 1992, as a "Week for the National Observance of the Fiftieth Anniversary of World War II";

H.J. Res. 425. Joint resolution designating May 10, 1992, as "Infant Mortality Awareness Day"; and

H.R. 4774. An act to provide flexibility to the Secretary of Agriculture to carry out food assistance programs in certain countries.

On May 15, 1992:

H.J. Res. 388. Joint resolution designating the month of May 1992, as "National Foster Care Month."

On May 29, 1992:

H.R. 4990. An act rescinding certain budget authority.

On June 4, 1992:

H.R. 2556. An act entitled the "Los Padres Condor Range and River Protection Act";

H.R. 1642. An act to establish in the State of Texas the Palo Alto Battlefield National Historic Site, and for other purposes; and

H.R. 1917. An act for the relief of Michael Wu.

On June 12, 1992:

H.R. 158. An act to designate the building in Hiddenite, North Carolina, which houses the primary operations of the United States Postal Service as the "Zora Leah S. Thomas Post Office Building";

H.R. 4505. An act to designate the facility of the United States Postal Service located at 20 South Montgomery Street in Trenton, New Jersey, as the "Arthur J. Holland United States Post Office Building"; and

H.R. 5412. An act to authorize the transfer of certain naval vessels to Greece and Taiwan.

On June 17, 1992:

H.J. Res. 442. Joint resolution to designate July 5, 1992, through July 11, 1992, as "National Awareness Week for Life-Saving Techniques";

H.J. Res. 445. Joint resolution designating June 1992 as "National Acleroderma Awareness Month"; and

H.R. 2507. An act to amend the Public Health Services Act to revise and extend the programs of the National Institutes of Health, and for other purposes.

On June 19, 1992:

H.R. 5132. An act making dire emergency supplemental appropriations for disaster assistance to meet urgent needs because of calamities such as those which occurred in Los Angeles and Chicago, for the fiscal year ending September 30, 1992, and for other purposes.

On June 24, 1992:

H.R. 479. An act to amend the National Trails System Act to designate the California National Historic Trail and Pony Express National Historic Trail as components of the National Trails System;

H.R. 5343. An act to make technical amendments to the Fair Packaging and Labeling Act with respect to its treatment of the SI metric system, and for other purposes;

H.J. Res. 470. Joint resolution to designate the month of September 1992 as "National Spina Bifida Awareness Month";

H.J. Res. 509. Joint resolution to extend through September 30, 1992, the period in which there remains available for obligation certain amounts appropriated for the Bureau of Indian Affairs for the school operations costs of Bureau-funded schools;

H.R. 2818. An act to designate the Federal building located at 78 Center Street in Pittsfield, Massachusetts, as the "Silvio O. Conte Federal Building", and for other purposes;

H.R. 3041. An act to designate the Federal building located at 1520 Market Street, St. Louis, Missouri, as the "L. Douglas Abram Federal Building"; and

H.R. 4548. An act to authorize contributions to United Nations peacekeeping activities.

On June 26, 1992:

H.R. 3711. An act to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, and for other purposes; and

H.J. Res. 517. Joint resolution to provide for a settlement of the railroad labor-management disputes between certain railroads and certain of their employees.

On June 29, 1992:

H.R. 3289. An act for the relief of Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini;

H.R. 3836. An act to provide for the management of Federal lands containing the Pacific yew to ensure a sufficient supply of taxol, a cancer-treating drug made from the Pacific yew; and

H.R. 5059. An act to extend the boundaries of the grounds of the National Gallery of Art to include the National Sculpture Garden.

On July 2, 1992:

H.J. Res. 459. Joint resolution designating the week beginning July 26, 1992 as "Lyme Disease Awareness Week";

H.J. Res. 499. Joint resolution designating July 2, 1992, as "National Literacy Day"; and

H.R. 5260. An act to extend the emergency unemployment compensation program, to revise the tregger provisions contained in the extended unemployment compensation program, and for other purposes.

On August 3, 1992:

H.R. 4026. An act to formulate a plan for the management of natural and cultural resources on the Zuni Indian Reservation, on the lands of the Ramah Band of the Navajo Tribe of Indians, and the Navajo Nation, and in other areas within the Zuni River watershed and upstream from the Zuni Indian Reservation, and for other purposes.

On August 4, 1992:

H.R. 5566. An act to provide additional time to negotiate settlement of a land dispute in South Carolina.

ADJOURNMENT

Mr. OWENS of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 12 minutes p.m.) under its previous order, the House adjourned until tomorrow, Thursday, August 6, 1992, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4069. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 1072 of title 10, United States Code, to authorize medical and dental care for certain unmarried children who become incapacitated and whose sponsor-parent provides more than 50 percent support; to the Committee on Armed Services.

4070. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4071. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4072. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 540. Resolution providing for the consideration of the bill (H.R. 4394) to amend title 46, United States Code, to require merchant mariners' documents for certain seamen (Rept. 102-784). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 541. Resolution providing for the consideration of the bill (H.R. 5466) to amend the Federal Aviation Act of 1958 to enhance competition among air carriers by prohibiting an air carrier who operates a computer reservation system from discriminating against other air carriers participating in the system and among travel agents which subscribe to the system, and for other purposes (Rept. 102-785). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 542. Resolution providing for the consideration of the concurrent resolution (H. Con. Res. 246) expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States (Rept. 102-786). Referred to the House Calendar.

Ms. SLAUGHTER of New York: Committee on Rules. House Resolution 543. Resolution providing for the consideration of the bill (H.R. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services (Rept. 101-787). Referred to the House Calendar.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 5741. A bill entitled the "Perishable Agricultural Commodities Act Technical Amendments of 1992"; with an amendment (Rept. 102-788). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 545. A bill providing for the consideration of the bill (H.R. 4547) to authorize supplemental assistance for the former Soviet republics (Rept. 102-789). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLARD (for himself, Mr. COLEMAN of Missouri, and Mr. CAMPBELL of Colorado):

H.R. 5775. A bill to provide a voluntary national insurance program for elk affected with, or exposed to, tuberculosis; to the Committee on Agriculture.

By Mr. LANCASTER:

H.R. 5776. A bill to amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds by certain organizations providing rescue and emergency medical services; to the Committee on Ways and Means.

By Mr. EVANS (for himself, Mr. FALEOMAVAEGA, and Mr. ABERCROMBIE):

H.R. 5777. A bill to amend chapter 37 of title 38, United States Code, to establish a pilot program for furnishing housing loans to native American veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KOSTMAYER (for himself, Mr. WELDON, Mr. KANJORSKI, Mr. YATRON, Mr. MURPHY, and Mr. KOLTER):

H.R. 5778. A bill to amend the Wild and Scenic Rivers Act to designate certain river segments in the State of Pennsylvania for potential addition to the Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. KYL (for himself, Mr. TANNER, Mr. KASICH, and Mr. MCCRERY):

H.R. 5779. A bill to provide that the United States may not consent to an increase in its quota in the International Monetary Fund until the President has certified to the Congress that Russia has taken certain steps; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MCCOLLUM (for himself and Mr. SMITH of Texas):

H.R. 5780. A bill to improve the admissions process at airports and other ports of entry; to the Committee on the Judiciary.

By Mr. MCCURDY (for himself, Mr. PENNY, and Mr. PETRI):

H.R. 5781. A bill to establish a demonstration program that encourages State educational agencies to assist teachers, parents, and communities in establishing new public schools, and for other purposes; to the Committee on Education and Labor.

By Mr. RAHALL:

H.R. 5782. A bill to designate the facility of the U.S. Postal Service being constructed at 680 Central Avenue in Barboursville, WV, as the "John D. Rockefeller, IV, Post Office"; to the Committee on Post Office and Civil Service.

By Ms. SLAUGHTER:

H.R. 5783. A bill to authorize the Secretary of Health and Human Services to make grants to States to purchase certain vaccines for children at a federally negotiated bulk rate and to create State and regional registries of vaccinations of children, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROYBAL:

H.R. 5785. A bill to amend the Public Health Service Act and the Social Security Act to improve the organ procurement and transplantation process; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. NOWAK (for himself, Mr. LAFALCE, and Mr. PAXON):

H.J. Res. 536. Joint resolution designating December 6, 1992, through December 12, 1992, as "National Marine Corps Reserve Toys for Tots Week"; to the Committee on Post Office and Civil Service.

By Ms. PELOSI (for herself, Mr. FASCELL, Mr. MILLER of California, Mr. JONES of North Carolina, Mr. STUDDS, Mr. PORTER, Mr. SCHEUER, Mr. MILLER of Washington, Mrs. UNSOELD, Mrs. MORELLA, Mr. SIKORSKI, Mr. GREEN of New York, Mr. BEILENSON, Mr. BLAZ, Mr. HERTEL, Mr. FEIGHAN, and Mrs. COLLINS of Illinois):

H. Con. Res. 353. Concurrent resolution expressing the sense of the Congress that the United States should assume a strong leadership role in implementing the decisions made at the Earth summit by developing a national strategy to implement agenda 21 and other Earth summit agreements through domestic policy and foreign policy, by cooperating with all countries to identify and initiate further agreements to protect the global environment, and by supporting and participating in a high-level United Nations Sustainable Development Commission; to the Committee on Foreign Affairs.

By Mrs. MEYERS of Kansas:

H. Res. 544. Resolution to authorize and direct the Committee on House Administration to require that the financial activities of legislative service organizations be subject to the control of the Clerk, and for other purposes; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII:

Mr. WILLIAMS introduced a bill (H.R. 5784) for the relief of Bear Claw Tribe, Inc.; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 81: Mr. TOWNS, Mr. HAYES of Illinois, and Mr. FROST.

H.R. 710: Mr. STUDDS.

H.R. 976: Mr. LEVIN of Michigan.

H.R. 1411: Mr. CLEMENT.

H.R. 1468: Mr. RAVENEL.

H.R. 2075: Mr. SCHUMER.

H.R. 2248: Mr. SCHIFF.

H.R. 2385: Mr. MILLER of Washington.

H.R. 2460: Mr. PAXON.

H.R. 2726: Mr. STAGGERS.

H.R. 2890: Mr. REED.

H.R. 3018: Mr. EDWARDS of Texas.

H.R. 3164: Mr. GILMAN and Mr. SHAYS.

H.R. 3373: Mr. CHANDLER.

H.R. 3475: Mr. COLORADO, Mr. FRANK of Massachusetts, Mr. ATKINS, Mrs. MINK, and Mr. PAXON.

H.R. 3476: Mr. COLORADO, Mr. FRANK of Massachusetts, Mr. ATKINS, Mrs. MINK, and Mr. PAXON.

H.R. 3561: Mr. SWETT.

H.R. 3598: Mr. SHAYS and Mr. EMERSON.

H.R. 3662: Mr. NEAL of North Carolina.

H.R. 3806: Mr. FRANK of Massachusetts, Mr. HAYES of Louisiana, and Mr. HOLLOWAY.

H.R. 3808: Mr. KILDEE, Mr. HENRY, Mr. TAYLOR of North Carolina, Mr. KOLTER, Mr. CRAMER, and Mr. RITTER.

H.R. 3943: Mr. SCHIFF.

H.R. 4175: Mr. RINALDO.

H.R. 4427: Mr. WILLIAMS.

H.R. 4677: Mr. INHOFE.

H.R. 4725: Mr. SCHIFF.

H.R. 4738: Ms. KAPTUR and Mr. HERTEL.

H.R. 4739: Mr. KOLTER.

H.R. 4754: Mr. CRAMER.

H.R. 4895: Mr. SYNAR.

H.R. 4989: Mr. SANDERS, Mr. PERKINS, and Mr. JACOBS.

H.R. 5064: Mr. MARKEY, Mr. GEJDENSON, Mr. OWENS of Utah, Mr. FOGLIETTA, Mr. THOMAS of Georgia, Mrs. MINK, Ms. PELOSI, and Mr. ABERCROMBIE.

H.R. 5155: Mr. BLACKWELL.

H.R. 5196: Mr. CARR, Mr. YOUNG of Florida, Mr. PICKETT, and Mr. FAZIO.

H.R. 5230: Mr. CHAPMAN.

H.R. 5317: Mr. SUNDQUIST.

H.R. 5323: Mr. SHAW.

H.R. 5360: Mr. LEVINE of California.

H.R. 5367: Mr. LANCASTER, Ms. KAPTUR, Mr. ENGEL, Mr. FRANK of Massachusetts, Mr. HUGHES, Mr. BUSTAMANTE, Mrs. VUCANOVICH, and Ms. NORTON.

H.R. 5456: Mr. NEAL of North Carolina.

H.R. 5530: Mr. SENSENBRENNER, and Mr. LOWERY of California.

H.R. 5590: Mr. LEWIS of Florida, Mr. SCHIFF, Mr. BOEHNER, Mr. SKEEN, and Mr. CLINGER.

H.R. 5600: Mr. SOLARZ, Mr. KOLTER, Mr. LEHMAN of California, Mr. MILLER of California, Mr. FROST, Mr. WOLPE, Ms. PELOSI, Mr. CONYERS, Mr. FRANK of Massachusetts, Mr. YATES, Mr. STARK, Mr. JOHNSON of South Dakota, Mr. FORD of Tennessee, Mr. KENNEDY, Mr. CARDIN, Mr. LEVIN of Michigan, Mr. MOODY, Mr. VENTO, Mr. ANDREWS of Maine, Mr. PAYNE of New Jersey, Mr. EVANS, Mr. OBERSTAR, Mr. LEWIS of Georgia, Mr. WEISS, Mr. ROYBAL, Mr. MFUME, Mr. MINETA, and Mr. DONNELLY.

H.R. 5665: Mr. MORRISON.

H.R. 5676: Mr. MAZZOLI, Mr. OLIN Mr. WILSON, Mr. EDWARDS of California, Mr. KOLTER, Mrs. SCHROEDER, Ms. KAPTUR, Mrs. UNSOELD, Mr. JOHNSTON of Florida, and Mr. GUARINI.

H.R. 5681: Mr. RANGEL.

H.R. 5684: Mr. ROEMER and Mr. ROBERTS.

H.R. 5703: Mr. DREIER of California.

H.R. 5719: Mr. MCCRERY, Mr. BAKER, Mr. LIVINGSTON, and Mr. HOLLOWAY.

H.R. 5720: Mr. MARLENEE.

H.J. Res. 152: Mr. SCHUMER, Mr. MOORHEAD; Mr. HUCKABY, Mr. DE LA GARZA, Mr. SOLOMON, Mr. TAUZIN, and Mr. BALLENGER.

H.J. Res. 336: Mr. BALLENGER, Mr. HERTEL, Mr. HOCHBRUECKNER, Mr. FOGLIETTA, Mrs. VUCANOVICH, Mr. SMITH of Florida, Mr. STAGGERS, Mr. SLATTERY, Mr. SERRANO, Mr. RINALDO, and Mr. RIGGS.

H.J. Res. 380: Mr. BILIRAKIS, Mr. HALL of Texas, Mr. YOUNG of Florida, Mr. STAGGERS, Mr. HOCHBRUECKNER, Mr. LEWIS of Florida, and Mr. HALL of Ohio.

H.J. Res. 409: Mr. KASICH, Mr. TALLON, Mr. TOWNS, Mr. MFUME, Mr. FROST, Mr. RANGEL, and Mr. KLECZKA.

H.J. Res. 422: Mr. LIPINSKI, Mr. DYMALLY, Mr. HOYER, Mr. KOSTMAYER, Mr. FLAKE, Mr. SAWYER, Mr. SWETT, Mr. BRYANT, Mr. SHAYS and Mr. WYDEN.

H.J. Res. 478: Mr. DIXON, Mr. ANNUNZIO, Mr. MCCRERY, Mr. BLAZ, Mr. LEACH, Mr. LEWIS of Florida, Mr. HYDE, Mr. VOLKMER, Mr. WEISS, Mr. FAZIO, Mr. WOLPE, Mr. GEJDENSON, Mr. MCCLOSKEY, Mr. HOCHBRUECKNER, Mr. PETER-

SON of Florida, Mr. CARDIN, Mr. BROOMFIELD, Mr. WOLF, Mr. CRAMER, Mr. MCHUGH, Mr. BACCHUS, Mr. MICHEL, Mr. KOPETSKI, Mrs. MEYERS of Kansas, Mr. SMITH of New Jersey, Mr. GEKAS, Mr. DORNAN of California, Mr. AUCOIN, Mr. IRELAND, Mr. COLEMAN of Texas, Mr. CHANDLER, Mr. LIVINGSTON, Ms. HORN, Mr. DORGAN of North Dakota, and Mr. SOLOMON.

H.J. Res. 479: Mr. ROSE, Mr. HOCHBRUECKNER, Mr. MCGRATH, Mr. FOGLIETTA, Mr. SANDERS, Mr. VANDER JAGT, Mr. DE LUGO, Mr. SOLARZ, Mr. MILLER of Washington, Ms. PELOSI, Mr. YOUNG of Florida, Mr. DORNAN of California, Mr. IRELAND, Mr. LIGHTFOOT, Mr. SAXTON, and Mr. FORD of Michigan.

H.J. Res. 495: Mr. BLACKWELL, Mr. GREEN of New York, Mr. CRAMER, and Mr. SCHUMER.

H.J. Res. 508: Mr. DIXON.

H.J. Res. 520: Mr. ABERCROMBIE, Mr. ANDREWS of Maine, Mr. BAKER, Mr. BENNETT, Mr. BILBRAY, Mr. BLACKWELL, Mrs. BOXER, Mr. CARR, Mr. CHAPMAN, Mr. COSTELLO, Mr. COX of Illinois, Mr. CRAMER, Mr. DARDEN, Ms. DELAURO, Mr. DONNELLY, Mr. DURBIN, Mr. ECKART, Mr. EDWARDS of Texas, Mr. ENGEL, Mr. EVANS, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HOAGLAND, Ms. HORN, Ms. LONG, Mr. JEFFERSON, Mr. JONTZ, Ms. KAPTUR, Mr. MANTON, Mr. MCCRERY, Mr. MCNULTY, Mr. MILLER of California, Mr. MOLLOHAN, Mr. OBERSTAR, Mr. ORTIZ, Mr. ORTON, Mr. PASTOR, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PETERSON of Minnesota, Mr. PETERSON of Florida, Mr. POSHARD, Mr. PRICE, Mr. RAY, Mr. ROEMER, Mr. ROWLAND, Mr. SANDERS, Mr. SARPALIUS, Mr. SLATTERY, Mr. STARK, Mr. SWETT, Mr. TAUZIN, and Mr. WAXMAN.

H.J. Res. 529: Mr. RAVENEL, Mr. ROE, Mr. COX of Illinois, Mr. TAYLOR of Mississippi, Mr. RICHARDSON, Mr. CONDIT, Mr. HUBBARD, Mr. HOYER, Mr. ABERCROMBIE, Mr. HAYES of Illinois, Mr. ROEMER, Mr. MATSUI, Mr. AUCOIN, Mr. SYNAR, Mr. MCDERMOTT, Ms. PELOSI, Mrs. UNSOELD, Mr. FAZIO, Mr. SCHEUER, Mr. SWIFT, Mr. EDWARDS of Texas, Mr. SMITH of Florida, Mr. SERRANO, Mr. KOPETSKI, Mr. BONIOR, Mr. ROYBAL, Mr. MARKEY, Mr. ANDERSON, Mr. OLVER, Mr. GILLMOR, Mr. TORRES, Mr. MILLER of California, Mr. RUSSO, Mr. FOGLIETTA, Mr. BLACKWELL, Mr. GUARINI, Mr. MCNULTY, Mr. PENNY, Mr. WILLIAMS, Mr. SAWYER, Mr. ORTIZ, Mr. MORAN, Mr. MFUME, Mr. BENNETT, Mr. GIBBONS, Mr. WEISS, Mr. RANGEL, Mr. POSHARD, Mr. BACCHUS, Mr. PETERSON of Minnesota, Mr. VENTO, Mr. KOLBE, Mr. JONTZ, Mrs. MINK, Mr. STALLINGS, Mr. OWENS of Utah, Mr. COLEMAN of Texas, Mr. SABO, Mrs. LOWEY of New York, Mr. ACKERMAN, Mrs. SCHROEDER, Mr. KLECZKA, Mr. GUNDERSON, Mr. DICKS, Mr. HOAGLAND, Mr. WISE, Mr. BUSTAMANTE, Mr. PAYNE of New Jersey, Mr. NAGLE, Mr. GEJDENSON, Mr. ORTON, Mr. RAHALL, Mr. WYDEN, Mr. FASCELL, Mr. RHODES, Mr. ATKINS, Mr. GAYDOS, Mr. DIXON, Mr. KILDEE, Mr. CAMPBELL of California, Mr. WAXMAN, Mr. PERKINS, Mr. SCHUMER, Mr. FORD of Tennessee, Ms. SLAUGHTER, Mr. OWENS of New York, Mr. MARTINEZ, Mr. LIPINSKI, Mr. SANGMEISTER, Mr. HEFNER, Mr. JENKINS, Mr. DURBIN, Mr. ROSE, Mr. DORGAN of North Dakota, Mr. GEREN of Texas, Mr. WOLPE, Mr. MRAZEK, Mr. SOLARZ, Mr. MAVROULES, Mr. EARLY, Mrs. KENNELLY, Mr. MURPHY, Mr. REED, Mr. ANTHONY, Mr. SPRATT, Mr. DARDEN, Mr. BROOKS, Mr. DE LA GARZA, Mr. BREWSTER, Ms. HORN, Mr. BROWDER, Ms. DELAURO, Mr. GEKAS, Mr. VISCLOSKY, Mr. ENGEL, Mr. FROST, Mr. GREEN of New York, Mr. HALL of Texas, Mr. KANJORSKI, Mr. LAFALCE, Mr. MCDADE, Mrs. MORELLA, Mr. NEAL of Massachusetts, and Mr. OBEY.

H.J. Res. 532: Mr. REGULA, Mr. OWENS of New York, Mr. CRAMER, Mr. SIKORSKI, Ms. LONG, Mr. MONTGOMERY, Mr. MOODY, Mrs. VUCANOVICH, Mr. HANSEN, Mr. WYLIE, Mr. FROST, Mr. PURSELL, Mr. KENNEDY, Mrs. KENNELLY, and Mr. MORRISON.

H. Con. Res. 100: Mr. DURBIN, Mr. CAMPBELL of California, Mr. GUARINI, Mr. DUNCAN, Mr. SANDERS, Mr. LEWIS of Florida, and Mr. STARK.

H. Con. Res. 301: Mr. YOUNG of Florida.

H. Res. 129: Mr. AUCOIN.

H. Res. 470: Ms. PELOSI and Mr. RICHARDSON.

H. Res. 538: Mr. RANGEL, Mr. ACKERMAN, Mr. POSHARD, Mr. KOSTMAYER, Mr. TOWNS, and Mr. SPRATT.

SENATE—*Wednesday, August 5, 1992*

The Senate met at 9 a.m., and was called to order by the Honorable HARRIS WOFFORD, a Senator from the State of Pennsylvania.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Is any thing too hard for the Lord? * * *—Genesis 18:14.

Almighty God, Lord of heaven and Earth, this question addressed to Abraham, father of the faith, is rhetorical and has only one answer: Nothing is too hard for God! However impossible national or global crises may seem, "With God all things are possible." You work through leadership to accomplish Your purposes, Lord, assuming leadership acknowledges its need for Your powerful support. You know where we are in history's schedule, how near chaos and catastrophe or remedy and resolution.

Grant to Your servants in the Senate grace to acknowledge Your infinite wisdom and power and to accept Your divine intervention in and through them as they struggle with unprecedented cosmic issues. Lead them to consensus in which all the power and wisdom of 100 Senators is joined. Save us from irreparable fragmentation that vitiates the potential of this powerful institution.

In His name who possesses all power in heaven and on Earth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 5, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRIS WOFFORD, a Senator from the State of Pennsylvania, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WOFFORD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Without objection, the time for the two leaders will be reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Michigan is recognized to speak for up to 15 minutes.

Mr. LEVIN. I thank the Chair.

(The remarks of Mr. LEVIN pertaining to the introduction of S. 3131 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LEVIN. I thank the Chair, and I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized to speak up to 5 minutes.

VIOLATIONS OF LAW IN THE BALKANS

Mr. MOYNIHAN. Mr. President, I rise, as I cannot doubt many Senators will do today, have done, and will do in the future, to speak to the horror that the world witnesses—at a distance but even so—in the Balkans, in what was Yugoslavia, in what is the former province of Bosnia.

This morning's press recounts the grievous wounding of a grandmother at a funeral for two grandchildren suddenly exposed to mortar fire, savagery, the possibility of death camps, the retaliation back and forth.

Yesterday a Serb reported his satisfaction of having cut the throats of three Turks, as he put it, in response to having seen Serbs tortured, dead. A new outbreak of the kind of ethnic war, nationalist war, which was with us through so much of the late 19th century and, again, wars which are almost primordial. To have one Yugoslav speak of another as a Turk takes us back five centuries.

And, indeed, we have gone back in time and yet, in some important ways, we have moved forward into a future which will be much more like Bosnia than the artificial stability of the cold war.

What I would like to suggest, Mr. President, is that at this moment some of the finest products of American diplomacy are also under siege in Bosnia. Every Serbian shell that rips through an apartment wall in Sarajevo or lands in a cemetery while a burial is taking place rends the fabric of the U.N. Charter, the Geneva Conventions of 1949, and the Nuremberg norms against aggressive war and crimes against humanity; a collection of legal norms which the United States more than any other nation, the United States with Britain in particular, worked to stitch together following the Second World War and the atrocities that had accompanied it, determined to see that it never should happen again.

Our Nation in those days was served by men with powerful principles—Roosevelt, Truman, Marshall. And they labored to create effective tools to make good on the pledges we were making.

When we dedicated ourselves to defeat fascism, we simultaneously began the effort to create the framework for a new legal order. We helped craft—we wrote—the U.N. Charter, again with the British, which outlawed force to resolve international conflict. We drafted the Fourth Geneva Convention making abuses against civilians during time of war crimes, individual crimes. There had not been any such thing. Only states had been subject to international law. Now individuals became such.

Schooled by the failures of the League of Nations and the Kellogg-Briand Peace Pact, which our Secretary of State Kellogg helped draft, American diplomats insisted upon practical structures to enforce these norms. A new legal order with more means of enforcement emerged—chapter VII of the U.N. Charter with its orderly, methodical procedures to deal with threats to and breaches of the peace.

The savagery erupting in the Balkans represents the truest test of whether these efforts were in vain. For decades the efficacy of the new legal order was uncertain; its potential obscured by the fog of the cold war. The results were disappointing. The pledge to prevent future atrocities rang hollow in the killing fields of Cambodia and the decimated countryside of East Timor.

But, with the end of the cold war, the Security Council began to function as the drafters of the Charter had envisioned. Acting pursuant to article 39 of chapter VII the Council issued a binding order directing Iraq to withdraw from Kuwait. When Iraq refused, the Council imposed economic sanctions under article 41. Finally, the Council authorized the use of force pursuant to article 42. The efforts of American diplomacy and the handicraft of American, French, British, Chinese, Indian and, yes, Soviet negotiators, among others, were vindicated. Aggression in the gulf was repelled, and repelled in a manner which virtually the whole community of nations considered legitimate.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

An extraordinarily violent clash of states—which at any prior point in recorded history would have been viewed as a simple contest of brute force—became a matter of law.

Now the conflict in Bosnia confronts the Security Council with a test at once more severe and more relevant to the decades to come. As Martin Peretz has said, self-determination is imperialism's revenge. Ethnic conflict and nationalism are raging around the globe. They destroyed Yuogoslavia and are now tearing apart Bosnia, ripping to shreds any semblance of respect for the carefully constructed legal norms which protect civilians during wartime.

For months we have read chilling accounts from the former Yugoslav Republics. Now, beginning with a Newsday report entitled "Death Camps," we are getting a look at life in Serbian detention centers. The goal, "Greater Serbia." The obscene mechanism, "ethnic cleansing." Forces directed by Serbian strongman Slobodan Milosevic are literally herding tens of thousands of Croatian and Muslim refugees into camps where some are reportedly beaten, others starved, tortured and killed. A U.N. representative has concluded that creating a refugee crisis is a deliberate Serbian policy. If not genocide, then at least horrible echoes of the death camps, the sealed boxcars, the search for a "final solution."

Mr. President, no outside observers have been permitted visits to verify these accounts, which is, in itself, a violation of international norms. But reporters on the scene find them credible.

No party to the conflict is blameless. Abuse begets abuse, and the International Committee of the Red Cross has accused all sides of violations of humanitarian law and basic human rights. The violence is horrific. The president of the Red Cross, Cornelio Sommaruga, reported at a U.N. conference in Geneva last week that—

> [w]hole populations are being terrorized, minorities intimidated and harassed, civilians interned on a massive scale, hostages taken and tortured. Deportation and summary executions are rife.

Mr. President, with the end of the cold war we are now poised to learn whether we have made any advance over the impotence of the League of Nations or whether the hopes of mankind are still held in thrall to the age old rule of "might makes right." In the 1930's it became fashionable to dismiss international law as irrelevant—as little more than, to borrow again the phrase of John Norton Moore, "a system of negative restraint" which only constrained those states naive enough to voluntarily comply. Fifty million dead later we had learned that perhaps it was important after all.

The outcome is unclear. The Security Council acted to protect the Kurds in northern Iraq. It has imposed economic sanctions on Serbia. But more needs to be done.

We should consider that more than Sarajevo is under assault. The rule of law and the authority of the Security Council are also under siege. If the international community fails to act to bring this slaughter to an end it will invite and will swiftly be visited by the anarchy. The charter offers to tools to avoid that result.

Mr. President, the chapter VII provisions are still there. I would call particular attention to the provision in Article 42 which speaks of the full range of military options.

It says, "Should the Security Council consider that measures provided for in article 41"—which concern economic sanctions—"would be inadequate, or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockades, and other operations by air, sea or land forces of the Members of the United Nations."

Mr. President, my purpose in rising this morning, having served as our representative at the United Nations and having served as president of the Security Council, is to point to that word "demonstrations."

It is not an idle phrase in a long speech. It is a precise term in a concise article 42. Article 41 talks of economic sanctions. Next we come to an intermediate position between the force of economic sanctions, which is real, and the full force of all-out war, which is very real. That intermediate provision: demonstrations. Demonstrate of what can come next, which demonstrate the conviction that what is going on is illegal, as it is under the Geneva Conventions, which make individuals responsible as well as governments.

We have that authority in the Charter. We have never considered this particular term. We have always lapsed into doing nothing, having an embargo or, alternatively launching an all-out war.

The term "demonstrations," is in there for precisely the situations which are somewhat ambiguous, not very clear, not very assessable but where a point can be made. And if the Serbian Government continues what is becoming genocide, ethnic cleansing, concentration camps, these things have to be responded to. That provision is in the Charter.

Mr. President, I thank you for your courtesy. I appreciate the Senate's time.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

EXTENSION OF MORNING BUSINESS

Mr. BAUCUS. Mr. President, I ask unanimous consent that morning business be extended until 9:40.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TAXATION OF FOREIGN CORPORATIONS

Mr. BAUCUS. Mr. President, I would like to discuss an issue today which deserves ongoing attention from the Congress, and that is the probability that foreign corporations operating in the United States are avoiding or evading U.S. taxes by manipulating international transactions.

Even a cursory glance at the numbers gives cause for alarm. Total assets under foreign control have risen dramatically from $841 billion in 1986 to $1.4 trillion in 1989. And total sales made by foreign-controlled corporations, or FCC's as they are called, grew from $543 billion in 1986 to almost twice that, $967 billion in 1989. And yet the profits for foreign-controlled corporations, that is, foreign corporations doing business in the United States, totaled only $8.3 billion. This means foreign corporations claimed to be considerably less profitable than U.S. firms.

Of course, a corporation's tax bills are calculated as a percentage of their net income, which means that a corporation which manages to manipulate its income, income reports and declare lower profits is able to reduce its tax bill.

Now, this is not as hard as it might sound. That is because when a multinational corporation transfers a good or a service between two divisions operating in different countries, it sets the price at which the exchange takes place.

As international tax laws are currently structured, that price is supposed to be one that would have been accepted in an arm's length transaction between two unrelated parties. However, that is not always what happens.

Take the case of a foreign company importing televisions into the United States, distributing them, and selling them. A fair wholesale price for each TV might be $100, and the retail price $110, leaving the U.S. division with a gross profit margin of $10 to cover the costs of distribution.

However, the foreign company might set its internal wholesale price; that is, the price its U.S. division pays, at $108, leaving a margin of $2 after the television is sold at the retail level. The U.S. division now declares much lower profits, and consequently pays far less in U.S. taxes. The profit on its business has been shifted out of the country, where the IRS cannot get at it.

In 1988, the most recent year for which data are available right there is the problem. We only have data up through 1988. Foreign controlled corporations consistently reported profits of only about one-third of those of

American firms; that is, those American firms doing business almost exclusively in the United States.

This pattern holds regardless of how profits are calculated. Foreign controlled corporations average return on assets was 0.9 percent, while U.S. companies earned 2.5 percent. Operating profit was 1.4 percent for foreign controlled corporations, and 4.5 percent for U.S. companies. Net income as a fraction of net worth was 3.9 percent for foreign controlled corporations and 9.8 percent for U.S. businesses.

Now, I acknowledge that this is a complicated issue, and that these numbers are not necessarily comprehensive indicators. For example, much recent investment has been in the form of new projects—that is new foreign investments in the United States—starting from scratch, which naturally incur greater costs. Other investment has been through acquisition of existing companies, which involves writing up the book value of the assets involved, thus lowering profitability.

The fact remains, however, that foreign corporations pay very little in U.S. taxes. Suspicion of transfer pricing and tax avoidance is perfectly reasonable under these circumstances.

If foreign controlled corporations are indeed avoiding U.S. taxes, we should be concerned for two reasons. First, Uncle Sam is losing badly needed revenues. Second, American firms end up paying more taxes and bearing greater costs as they bring their products to market. Compared to those foreign companies, American firms lose money, they lose contracts, and American workers lose their jobs.

Now, the only way to conclusively demonstrate that transfer pricing has taken place is to do exhaustive analysis of the facts of each individual case. This is the IRS's job, but that does not mean we in the Congress must wash our hands of the problem.

Instead, we need to ensure that the IRS has the tools necessary to prevent such tax avoidance. It must have access to the resources needed to audit FCC's, and to prosecute the cases that result. Moreover, it must have the authority to requisition the information it needs from foreign corporations.

Some of these issues were addressed in the 1990 Budget Act and other recent legislation. However, due to a lag in the preparation of tax data, we cannot yet assess the effectiveness of the measures enacted at that time.

CONCLUSION

U.S. firms compete with foreign multinationals that bear lighter tax burdens as a result of their tax cheating. In an increasingly competitive global economy, this is an unacceptable burden.

We cannot tolerate such tax avoidance. It contributes to our massive Federal deficit, and to the public dissaving that is gradually sapping our economy.

To me, this means that we need to focus our tax enforcement efforts on foreign corporations. The internationalization of the U.S. economy can only accelerate, and we need to be able to deal with the consequences of our links to the rest of the world.

At a later date I will be preparing some more precise actions that we can be taking to help solve this problem.

I thank the Senator from Maine for his patience.

I yield the floor.

Mr. COHEN. Mr. President, I ask unanimous consent that I be allowed to proceed for 5 minutes in addition to whatever time Senator LEVIN yielded to me.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Maine is recognized for 6 minutes.

Mr. COHEN. I thank the Chair.

(The remarks of Mr. COHEN pertaining to the introduction of S. 3131 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

TODAY'S "BOXSCORE" OF THE NATIONAL DEBT

Mr. CRAIG. Mr. President, Senator HELMS is in North Carolina recuperating following heart surgery, and he has asked me to submit for the RECORD each day the Senate is in session what the Senator calls the "Congressional Irresponsibility Boxscore."

The information is provided to me by the staff of Senator HELMS. The Senator from North Carolina instituted this daily report on February 26.

The Federal debt run up by the U.S. Congress stood at $4,010,612,139,513.41, as of the close of business on Friday, July 31, 1992.

On a per capita basis, every man, woman, and child owes $15,614.06—thanks to the big spenders in Congress for the past half century. Paying the interest on this massive debt, averaged out, amounts to $1,127.85 per year for each man, woman, and child in America—or, to look at it another way, for each family of four, the tab—to pay the interest alone—comes to $4,511.40 per year.

DEFENSE SPENDING AND DEFENSE REQUIREMENTS: THE BIG LIE

Mr. McCAIN. Mr. President, just about a century ago, Mark Twain said that there were three kinds of lies: Lies, damned lies, and statistics. If Mark Twain were alive today, he would add a fourth kind of lie: "Damned lies that use statistics out of context in an election year."

Now this fourth kind of lie is part of the present negative character of American politics. It is normally something to be laughed off or ignored, in the process of focusing on the issues that really matter. Unfortunately, however, there are times when the record has to be corrected because the real facts are too important to ignore.

COMPARING 1992 STRATEGIES TO 1993 BUDGETS

Last year, I gave a series of speeches for the RECORD on strategy. These speeches warned about the need to convert our force posture to one based on a power projection strategy, and to do so as quickly as possible. I also warned that we had to build a new consensus around a lower level of defense spending and use the resulting savings to reduce the deficit and taxes.

I spoke to the Senate on August 2, September 10, 1991, and November 26, 1991. This latter speech included a detailed white paper that I had worked on during much of the fall of 1991, and which I issued in final form in November. It was a complicated paper looking far into the future and focused on both the forces we needed and possible trade-offs we could make to afford them. It also provided illustrative defense spending figures based on the Department of Defense budget for fiscal year 1992.

Mr. President, I am proud of that paper. It made a wide range of recommendations that were included in the fiscal year 1993 defense budget that President Bush submitted in February 1992. It called for the termination of the B-2, small ICBM, and SSN-21 *Seawolf*. It called for the President to go beyond START and CFE, and to make broader and faster cuts in strategic and theater nuclear forces, and to accelerate the reduction of our forces in Europe.

It called for reduced funding of the U.S. Army armored system modernization plan, adjustments to slow down expenditure on the modernization of some aspects of naval aviation, and cuts in our overall surface fleet to ensure we could afford to modernize and maintain our carriers.

These are all recommendations that were implemented in some form in the President's fiscal year 1993 defense budget submission, or in President Bush's dramatic new arms control initiatives. While General Powell, Secretary Cheney, and President Bush took these decisions on their own, I must note that they allowed President Bush to cut his proposed defense spending during fiscal year 1993-97 by $56.7 billion in budget authority. He submitted that plan to Congress about 4 months after I issued my paper.

Let me stress that point, President Bush reduced his fiscal 1992-97 defense plan from a total cost of $1,406.8 billion, when he made an estimate as part of his fiscal year 1992 budget submission in February 1991 to $1,350.3 billion as part of the fiscal year 1993 budget submission he submitted in February 1992.

The defense budget and program that President Bush submitted early this

year was not the program that I reviewed in November, 1992. It did not call for the same forces, or the same major programs. It did not call for the same expenditures, and it did not even call for spending in the same dollars. President Bush submitted his new budget in fiscal 1993 dollars, which the comptroller's office of the Department of Defense states are only worth 96.44 percent of fiscal year 1992 dollars.

Now, I cannot be responsible for what others do with my figures or words, or for estimates that I had nothing to do with, but figures are magically appearing in my name as if my November, 1991 paper on strategy had somehow been an analysis of the fiscal 1993 budget. I like to believe that I have some foresight, but I do not have the gift of prophecy, and it should be obvious that what I wrote in November, 1991 does not constitute an analysis of the very different program President Bush submitted 4 months later.

Further, the numbers I did use in my November speech are being quoted out of context, and without conversion into fiscal year 1993 dollars. This totally obscures the fact that I called for detailed increases in defense spending as well as defense cuts. It creates the impression that I have opposed the Bush fiscal year 1993 defense budget and have radical differences with the Bush fiscal 1993–97 defense program.

THE BUSH FISCAL YEAR 1993 DEFENSE BUDGET

Let me begin with the real issue: fiscal year 1993 defense spending. Neither the Congress or the executive branch authorizes or appropriates money for a theoretical and constantly changing future year defense program. The Congress does vote money for fiscal year 1993, and this is how its performance should be judged.

I supported President Bush's proposed level of fiscal year 1993 defense spending when he issued it, and I have supported the President since. More importantly, I invite my colleagues to look at both my November white paper and pages S18258 and S18529 of the November 26, 1991 CONGRESSIONAL RECORD.

Even in examining the maximum possible cuts that I believe could be made in defense spending, I refer to an average cut in real defense spending within the Department of Defense of 6 percent, and a possible budget authorization for fiscal year 1993 of $261 billion in fiscal year 1992 dollars. In fact, President Bush proposed a cut in real spending of 7.1 percent—1.1 percent above the level I recommended. He also proposed $267.6 billion in Department of Defense budget authority. Let me note, that my proposal is equal to $270.6 billion in fiscal year 1993 dollars, or $3 billion more than the figure proposed by the President.

Quite frankly, I believe it is absurd to make exact comparisons between illustrative numbers in a strategy paper and the specifics of a budget issued months later, but it should be clear that I fully support the President.

It should also be clear that I differ sharply with the Democrats who have made major cuts in the fiscal year 1993 defense budget in every committee they control in Congress. While I have been forced to work within the limits imposed by a Democrat majority, I have never endorsed making more rapid cuts in spending or reprogramming resources within the defense budget away from defense.

In contrast, the Democrats have made the following cuts in fiscal year 1993 defense spending:

The budget resolution has cut the President's defense budget request by $4.2 billion in budget authority, and $2.5 billion in outlays.

The House Armed Services Committee has produced a bill that cuts budget authority by $10.5 billion, and outlay by $8.2 billion.

The House Appropriations Committee has cut defense budget authority by $7.9 billion and outlays by $5.1 billion.

The Senate Armed Services Committee has produced a somewhat less drastic set of cuts. It calls for cuts of $7.6 billion in authority and $3.6 billion in outlays. I hope that floor action on our bill and the Senate Appropriations Committee will be equally conservative.

The fact remains, however, that the Democrat majority in Congress has pushed for far lower levels of defense spending than President Bush, and far lower levels than those I advocated last year. The fact also remains that it is the current budget debate, not a debate over the outyears, that is the critical test of public policy.

Even if we ignore the fact that my paper preceeded the President's revised budget submission and fiscal year 1993–97 program, this number simply is not comparable to any of the defense spending date by year that Secretary Cheney issued with his annual statement on the fiscal year 1993 defense budget.

To the extent any of my figures are comparable, they come on page S18529 of the CONGRESSIONAL RECORD for November 26, 1992, where I described the possible Department of Defense spending levels in fiscal year 1992 dollars for fiscal year 1993–97. Let me stress that I then discuss possible defense spending levels, but draw a very different bottom line only four paragraphs later.

If, however, you compare my maximum possible cuts to the Bush budget projections for each year during fiscal year 1993–97, and convert my figures into fiscal year 1993 dollars using the 0.9644 conversion factor used by the comptroller of the Office of the Secretary of Defense, you see that my maximum possible cuts are only $57.7 billion greater than the funding levels proposed by President Bush.

These figures are explained in full detail in a table which I ask unanimous consent to be printed in the RECORD at this point.

McCAIN MAXIMUM POSSIBLE CUTS VERSUS BUSH FISCAL YEAR 1993 DEFENSE BUDGET

[DOD budget authority in fiscal year 1993 in billions of dollars]

	Fiscal years—					
	1993	1994	1995	1996	1997	1993–97
Bush defense budget	267.6	258.0	250.4	241.8	237.5	1,255.3
McCain maximum cuts	270.6	254.0	238.5	224.0	210.5	1,197.6
Difference	+3.0	−4.0	−11.9	−17.8	−27.0	−57.7

Even if one ignores the fact that my figures were written in 1991 as part of a strategic analysis, there is no way in which my estimates of maximum possible cuts can be transformed into a major difference between my program and the Bush program. In fact, $57.7 billion is only 4.6 percent of the total spending President Bush has proposed for fiscal years 1993–95.

DECIDING ON THE RIGHT SPENDING LEVELS

In saying this, I do not mean to say that I agree with every single element of the Bush program over the next 5 years, or do not believe some additional cuts in defense spending may be possible. I do believe that we can cut our forces for NATO more than President Bush has yet proposed, and I believe that we can safely make the additional cuts in nuclear forces that President Bush has proposed since he submitted his fiscal year 1993 defense budget.

I also believe that we need to spend more on power projection forces like strategic airlift and sealift, improve our sea and land based tactical air power, and fund both fully ready and deployable Marine expeditionary forces, and fully ready and deployable U.S. Army contingency forces. We need to make a wide range of detailed tradeoffs between our existing forces and programs and those we need for a post-cold war power projection strategy. This is why I have emphasized the need to make adjustments in strategy and forces, rather than focus on some single arbitrary figure in dollars.

At the same time, I do still believe that the key theme I raised in my strategy statement of November 26, 1991 is correct. The bottom line conclusion regarding future defense spending that I proposed focused on very different numbers from maximum possible savings. It is clearly stated on page S18529 of the CONGRESSIONAL RECORD as to the conclusion to my discussion of possible funding levels.

It states that:

> The best way of obtaining a peace dividend is not to cut defense to the point where we could be forced into crash efforts to rebuild our forces in an emergency—to repeat the 'boom and bust' cycle in defense spending that has characterized so much of U.S. history. It is rather to establish a stable level of defense spending that provides the resources

that are needed, but steadily reduces defense spending as a share of total federal spending and our gross national product as our economy expands.

To put this issue in perspective, defense spending as a percent of federal spending has already dropped from a post-war high of 57%, and a high of 27% during the Reagan Administration, to around 20%. Such cuts would reduce defense spending to around 15–16% of the federal budget by FY1996–FY1997. Similarly, defense spending has dropped from a post-war high of 11.9%, and 6.3% during the Reagan Administration, to about 4.7% of the GNP today.

The proposed cuts would allow defense spending to drop to as low as 3% of the GNP by the mid to late 1990s. Capping defense at these levels of our federal budget and GNP would still provide around $215 billion to $240 billion in constant FY1992 dollars, but would shrink the burden defense places on the American taxpayer to a small fraction of our total economic activity. At the same time, it would allow us to deter or halt the kind of aggression or conflict that—without American military action—would force us into massive new military expenditures and possibly into another major war.

Let me note that four months after I wrote these words, President Bush proposed a level of fiscal year 1997 defense spending for fiscal year 1997 that would cut defense spending to 16.3 percent of all Federal spending and 3.4 percent of the GNP. Further, the levels of defense spending that I propose as the floor for defense spending range from $223 billion to $249 billion when they are converted to constant fiscal year 1993 dollars. This compares with President Bush's proposed spending for fiscal year 1997 of $237.5 billion.

The key point behind my remarks is still that we need to base future defense spending on a portion of our GNP and Federal budget that both provides sufficient forces and represents an acceptable burden on our economy. This is why, on the same day I presented my white paper to the Senate, I joined Senator GRAMM and Senator STEVENS in introducing S. 2093, the Ronald Reagan Peace Dividend Investment Act. This legislation would require all future savings in defense to be used to either reduce the Federal deficit or taxes.

THE ISSUE OF TAXES AND DEFICIT

Mr. President, I said at the start of my remarks that using statistics out of context can be a new kind of lie. I think the RECORD makes this all too clear. The arguments I have advanced are not so complex or sophisticated that anyone who actually read them can fail to understand them. No one who shows any respect for the truth can fail to understand the fact that numbers must be kept in context, must be made comparable, and must be related to the analysis involved.

In today's Washington, I have to assume that while figures do not lie, liars will continue to figure. The fact is, however, that it takes a liar to twist the RECORD out of context, and the resulting lie has nothing to do with either my positions or the real debate over defense spending.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1993

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of H.R. 5503, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5503) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1993, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Reid amendment No. 2868 (to committee amendment beginning on page 101, lines 11–15), to make improvements in mining laws.

Mr. REID addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

AMENDMENT NO. 2868

Mr. REID. Mr. President, the Senate has a long tradition of functioning based on the admonition of the great Jewish philosopher, Maimonides, who said: "Keep firmly your word."

On September 13 of last year, 1991, in this Chamber, I made a commitment, publicly and privately, that I would work to make substantive changes in the 1872 mining law. The amendment now before this body makes substantive changes in the 1872 mining law. The ancient advice of Maimonides has been followed.

I have kept my word.

Mr. President, before describing these substantive changes in this amendment, let us take a look at mining. I grew up in a small town in the southern tip of Nevada called Searchlight. I was born there. My father was a hard-rock miner. He worked very hard, much of the time by himself underground. Many times, as a little boy, and as I grew up, as a bigger boy and a teenager, I was with him in those mines. In those days, the days of my father, the days of the hard-rock miner, as envisioned in movies and things that we see, everything revolved around a vein, a gold vein.

They were always after the vein. Sometimes the veins were small, and they could work those if the ore was high grade. Sometimes the vein was wide, and they were able to work that, even though it was relatively low grade. They would follow this vein all through the bowels of the Earth. They would do it in a number of different ways. They would sink a shaft. That shaft would either be a vertical or an inclined shaft.

After they got down to where they found a vein, they would run what we called a drift or a crosscut, what is referred to in the books as an adit.

They would try to find the wealth of the Earth by following this vein. They were also able, on some occasions—not often—to do it with a tunnel into the side of a hill or mountain.

This work was labor intensive. I thought all fathers worked like my dad, Mr. President: Hard, with bad air lots of times. I thought that all fathers woke up in the middle of the night coughing. I have come to learn, that is not true. In the days of my father, they did not do a lot of work with equipment, with machinery. There was a hoist up on top of the ground with usually a hoist man, one person.

Underground, they had little equipment—a jackhammer, and that is about it. Everything was done by hand. It was labor intensive and very dangerous. Health conditions were severe.

On July 4 of this year, I rode in the little parade they have in Searchlight, and it is small. It is joked that there are more people in the parade than watch it. In southern Nevada, it is a tradition; a lot of people who hold political office go to that small town called Searchlight for the Fourth of July parade.

Frankly, Mr. President, people go to it for one reason. It is late in the afternoon, before the fireworks, and there is not much going on. The big parade in Boulder City has already taken place. But it has become kind of a traditional thing. Well, this Fourth of July, I decided to stay in Searchlight. I have a home there.

My wife and I went up to a little place called the Searchlight Nugget, a little cafe-restaurant. As I walked in, I saw a childhood friend, one whom I had not seen in years and years. He and I have a very close relationship, even though we have little personal contact anymore. The reason we do, you see, is that his father was working in a mine with my dad when a rock fell on his head and killed him. My dad carried him out of the mine.

I had a nice visit with my friend, Everett "Chig" Hudgens. We talked about old times. But, you know, the legacy left by people like my father and Bill Hudgens, who was killed in the mine, and thousands of others, is almost gone. Very few people mine like my dad did. Miners like my father and Bill Hudgens—people like that—have become almost extinct. People no longer pan for gold.

I can remember one of the things I knew how to do, is pan for gold. You dump rock in this little metal thing and grind it up real fine, put it in a pan of water, and see if you can see any color in it. "Is there any color in it?" Those were the words. If there was,

that was gold, and that meant the rock had a possibility of containing gold. Well, that is not the way it is anymore in mining for gold. Mining for gold is now no longer connected with a vein.

You can no longer pan for the gold that these people take out of the ground, because you cannot see it. It is microscopic. They mine for gold. Out of a ton of gold, they get a very small amount. Or out of a ton of ore, they get a very small amount of gold. It is microscopic, called disseminated. To find this, it is no longer like it use to be, with prospectors going looking for it, although there are still a few. What happens now is you need hydrologists, engineers, geologists, chemists. It has become very scientific. These pit operations mine low-grade ore; very, very low-grade ore. It is high-tech.

Mr. President, there are conveyor belts, 160-ton trucks, and pieces of equipment we used to call "steam shovels" when we are growing up. But now these huge shovels weigh over 1 million pounds. They are huge, these large crushers, very technically and efficiently built, and are run by computers.

Computers are involved in almost everything in mining. It has become very high tech.

And even though large amounts of ore are moved today compared to the times of the Comstock, the operations are much better. There is no comparison between the operations today and the days of old.

For example, in the Carson River, which is below the Comstock, below Virginia City, for years and years during the days of the Comstock, which basically was in the last part of the last century and the early part of this century, the process they milled was by using some cyanide, but mostly mercury. This mercury would run into the Carson River and made this river a potential Superfund site. The Environmental Protection Agency is now doing a reconnaissance to determine who is responsible. We know that thousands of tons of mercury are in that river. You cannot eat the fish. There are signs posted, "Do not eat the fish."

In Nevada today—and we will talk about that later—there are reclamation projects to stop things like that. Those kinds of things do not happen anymore.

Mr. President, let us take one mine, a mine called American Barrick located in Eureka, NV. What kind of equipment do you use in these modern-day operations compared to the days around Searchlight when people went down by themselves and they used the No. 5 scoop shovel, a jackhammer, and some dynamite. That was about as high tech as they got. At American Barrick, they have something called an oxygen plant that costs $150 million. They have on that property, on that mine, three shovels. Each one of those shovels cost $2.8 million. So, for those three shovels on that property it is almost $9 million. Those shovels are large; they can move about 23 yards.

They also have on that same property four shovels that cost $6.3 million each. They are bigger and more expensive. They have haul trucks, 46 in number. Each truck, Mr. President, cost $1.4 million. They will haul a lot, 190 tons. They have at this one mine $200 million invested in mobile equipment, trucks, graders, greasers. They have eight D-10 bulldozers, $1.3 million each; rubber-tired bulldozers, eight of those, $800,000 each. They have on this property, 12 drills, $700,000 each. They have an autoclave, which is a kind of crusher, that cost $84 million. For tires alone on this property, 1 month's bill for tires is half a million, $500,000.

The reason I mention this equipment is this equipment is made someplace, built someplace. They do not build it in Nevada. Front-end loaders, Peoria, IL. Shovels, South Milwaukee, WI. Remember, these are very, very expensive. They are dozers from Illinois, $1.3 million each. One operation uses 1.5 million dollars' worth of fuel each month. Drills costing $700,000 or $800,000 each are manufactured in Texas. Supplies come from San Francisco, Salt Lake, and Denver.

So there are lots and lots of jobs related directly to mining. There are also many jobs not related to mining, and we should talk about some of them today. These ancillary services are in places as far removed from these mines as Illinois, Texas, Wisconsin, and, of course, closer to home, places like California, Colorado, and Utah. In Nevada, there are 15,000 jobs, but in the United States there are at least 150,000 mining jobs. It is estimated that the number of indirect jobs associated with mining are 750,000.

The reason that we need to talk about the importance of gold is that we are, Mr. President, a net exporter of gold. This is rare. This has only developed during the last couple of years. Prior to that time we imported gold. We had to import gold. We needed it for many different things. We have a favorable balance of payments as it relates to gold. Is that not good news? We export more gold than we import.

Mr. President, the uses of gold are critical for lots of things. We are going to talk about some of those now.

Most people, when they think of gold, think of fancy jewelry. Of course, that is one of the reasons for gold, but it is also vital in high technology. Your bank computer prints a decimal point in the wrong place; phone calls are blocked by static; a missile fires ahead of schedule. These are things that we envision negatively. These are some of the problems that are prevented today in our country and around the world by the use of gold in high technology.

In American electronics technology, more gold is used every day. Every day they are finding new uses. Why? Because it works better than anything else. There is not a close second. We do not have the most recent figures but, for example, in 1988, the United States electronics industry used 1.4 million troy ounces of gold, or 21 percent of the gold produced in the United States at that time. That is a 6-percent increase over what was used in 1987, and it is going up and has gone up since then.

Why gold? Gold is the choice of the electronics industry because it has several exceptional properties which are not matched by other metals. These special properties include gold's resistance to tarnish and corrosion, the ease with which it can be worked, and the fact that it is an exceptionally good conductor of electricity and the transfer of heat. Gold does not corrode. This is one of the most important properties because of the appearance and technical performance of gold.

Gold alloys and gold coatings usually remain unaltered by time, and for our computer age it is perfect. As one electronics engineer put it, "When signal purity, conductivity, and reliability are required, gold is absolutely essential." Because of these properties, more than 760,000 miles of hair-thin gold was used in 1988 to connect and ensure reliable transmittal of signals among the millions of microchips that are the heart of computers and control devices for automobiles, aircraft, ships, and electrical supplies.

In addition to its immunity to oxidation, its inherent ability to conduct electricity, gold readily alloys with common metals. These alloys are used in many applications, including the creation of clean, superstrong joints and engine components, jet engine components, and gold coats which are ideal in bearings in a highly corrosive environment.

In America, gold really does work for us. Why? Over 95 percent of all electric connections used for computers, integrated circuit heads, are gold coated for perfect signal transmission. Gold is not used because it is plentiful; it is used in these instances because it works better than anything else. If industry could find a cheaper way to do it, they would do it, but gold works. The new Pacific fiber optic cable uses gold circuitry and connected works unattended. It is at the bottom of the sea to ensure long-time reliable performance.

We saw, during the Kuwait situation, these people going out, standing next to these infernos. How were they able to do it? Their faces were protected by heat reflective transparent 24-carat gold film covering in the face shield.

Gold chip rings transfer power to gyroscopes, the heart of navigation and guidance systems of aircraft, submarines, and military satellites. Catalysts are used to make 2.5 billion pounds of vinyl used to make packages

used in sanitary packing of meats and vegetables. Alloys with gold are used in heat exchangers and nuclear powerplants to prevent cracking of metal and, as a consequent, prevent leaking. Gold films conduct local current for touch panels and memory switches. Gold is cost-effective because you only need tiny amounts to accomplish these seemingly miraculous things, Mr. President.

But in addition to these high-technology things we have talked about, we will get into some more and more difficult high technology because we would not be able to explore space and defend America without gold. We could not have launched our successful space programs nor could we have created its high-tech Armed Forces. Gold is recognized as the critical metal for the microelectronic revolution, which is the very foundation of today's space and military programs.

The complex calculations that are needed to establish and to design space vehicles, their trajectories, orbits, reentry instructions from ground stations as well as the precise assimulation and transmittal of data collected by them at great expense, are all made feasible and reliable by millions of microcircuits built only with gold. These hair-thin wires connect the microcircuits to tiny gold contacts which, in turn, connect these extraordinarily complex devices to the outside world.

Way back in 1974, when the United States launched its first communication satellite, we, with the aid of the gold-plated antenna, covered all 50 States and simultaneously carried messages over 14,000 two-way voice circuits. Gold is used on satellite antennas because it has electrical conductivity that is excellent at radio frequencies. It will not corrode, its thermal properties help maintain a constant antenna temperature in the satellite. They have excellent contained-on-board computer memory systems and other types of chips that are covered with gold to block intense solar x rays and cosmic radiations from destroying the functions of communications satellites. Again, gold is used because it works better than anything else.

Also, gold's superior electrical conductivity and its oxidation-free surfaces make it ideal for sliding contacts wherever satellites must spin and the solar cells remain oriented to the Sun.

For the space station, gold sliding contacts handling 200,000 watts are now being planned. In addition, gold is without peer for reflecting away heat. This was illustrated when United States' astronauts went out in spacecrafts and performed missions in space, dressed in spacesuits featuring gold-coated visors, as were the firemen in Kuwait. This permitted the spacewalkers to see clearly while gold reflected away harmful solar heat and radiation.

Heat-resistant gold surfaces protect Air Force One, the new plane that was built and recently given to our chief executive. It is coated to stop the heat of heat-seeking missiles.

And just 2 ounces of gold has prevented the premature failure of the 5-year-old, $40 million greenhouse effect satellite by reflecting away damaging solar heat and radiation.

High-temperature gold brazing is essential in space shuttle engine cooling systems which keep the engine exhaust, which can reach temperatures of 6,000 degrees Fahrenheit, away from the engine housing, which has a melting point of 2,500 degrees Fahrenheit.

All of the components of the Hubble Space telescope electronic camera are coated with gold.

Gold coating of the impeller prevents hydrogen from developing in the fuel-pumping system of the space shuttle, which could destroy it.

In defense, of course, there are multiple uses for gold that were made apparent especially during Desert Storm, when high-tech aircraft, especially the Stealth, had to operate.

Lastly, we are talking about uses for gold. Every day America uses gold. It is used in microcircuits. When we have a digital alarm clock that goes off, we are using gold. When you eat your breakfast, it is hard to realize that gold is involved in that, whether your looking at a TV set, or whether you are watching one of your cable channels. And after watching TV for the morning news you can pick up your telephone, pull out the phone jack and plug it in another jack from the bedroom to the breakfast room. And all the standard telephone jacks in common use today are gold-coated to assure you the convenience of moving your telephone from one jack to another.

But why gold? We have established that it does not corrode, that it does not oxidize, and that it is reliable. That is what gold is all about.

Long-term performance in telephone jacks, television sets, clocks. When you start your car, you now can use gold-tipped spark plugs. Why? Because they last much longer, and they will operate in extremes of temperature, either hot or cold.

The fuel efficiency of your car will depend on a microelectronic system that uses gold contacts. These leads, in the highly corrosive and high temperatures environment of a modern engine is a place where other metals will melt.

And if you are using one of the new tiny 12.3-ounce cellular telephones—most of us have used those at one time or another—gold connectors and contacts help us have better performance.

When we go to work in this building, this vast Capitol, there are all kinds of Xerox machines, and every one of those copy images on paper with gold-coated mirrors. Telephone jacks on switchboards use gold to guarantee clear communications. Computer circuits are gold coated to assure continued reliability.

The building's elevators—and probably not some of the ones in the legislative branch that we are trying to update and make more modern, but on the new elevators that are more reliable and are certainly safer—they have gold microcircuits.

The instruments used to control the operation of chemical process industries, petroleum refineries, and power supply plants, rely on gold's ability to carry electronic signals accurately even under the severest environmental conditions.

(Mr. BRYAN assumed the chair.)

Mr. REID. Mr. President, gold is something that is used for more than a watch or a bracelet.

Today, we are here because last year, in September, there was an amendment offered to establish a moratorium on the issuing of mining patents. As a result of that debate, as I indicated in my opening statement, I said that I would work with the industry. I made a commitment to those that voted with me, those that voted against me, that I would do what I could to come up with substantive changes in the laws that relate to patents in the United States, and I have done that.

But, first of all, for those that were not aware of the debate last time, and just to refresh those who may have heard parts of it, understand that the patent that someone applies for, costs almost $100,000 to bring it to the point where the Government issues a patent. The average is about $100,000. This is for engineers, mineral surveyors, and all the things that the Forest Service and the Bureau of Land Management mandate before they will consider issuing a patent.

And remember, Mr. President, many, many patents are applied for but are not granted because they cannot show mineral value.

You would think, with the negative statements about mineral patents, that thousands and thousands of these patents are issued every year, this great calamity facing our country, giving away Federal lands.

By the way, in the State of Nevada, patents have been in existence there since we became a State, basically, and still 87 percent of the State is federally owned.

Since 1781, the start-off date for this country, in the United States, 288 million acres of land used for agriculture purposes have gone from the private to the public sector; 288 million acres of land.

To give you some perspective how big that is, the State of Nevada, the seventh-largest State in the Union, has 74 million acres.

Agriculture use, through different types of land grants, similar to the

type of patent we are talking about today, has moved almost 300 million acres to private hands from public hands. Railroads alone, have been given 94 million acres.

Mineral patents, this horribly abusive thing that people would lead you to believe is ruining the country—has moved 3 million acres. Since we have become a country only 3 million acres. That includes every place in the United States. The huge State of New Mexico, the huge State of Arizona, the huge States of Utah, Idaho, California, Nevada, Wyoming, Montana only 3 million acres.

Three million acres would not even make a decent size county in Nevada. Three million acres have gone to mineral patents compared to 300 million agriculture patents, and 94 million to the railroads.

We hear so much about abuses, let me relate some abuses that took place last year. Alaska did not have a single patent issued; Arizona only three; California, four. Colorado, the mining State that is famous for terrarite and all these things only one. Idaho, with the Coeur d'Alene, that famous mining State, only one last year. Montana to where I have traveled with Senator BAUCUS on a couple of occasions, only one last year; one. Then the abuses get rampant in New Mexico where they issued none. And Nevada, which produces most of the gold in the United States, three, three patents. This horribly abusive system with only three patents. Oregon had three and Utah had three.

Add them up, it is less than 20.

My friend from Arkansas, I would think he would agree that one of the real problems we have had in the last 20 years is that we as a country have not developed a long-range energy policy. We really have not. And we should. And I recognize that. We would be better off if we as a country did not import over 50 percent of our oil. We would be better off as a country if we developed more clean coal technology. We have vast resources in this country for coal, and there are those who have worked for decades in this body to make better use of coal in our country.

Slowly but surely, because we have not had a lot of support, things are happening. For example, in Nevada there is a facility at the Tracy plant, between Reno and Fernley, that is developing a clean coal system for its new generating facility. That is good. I wish we had more long-range energy policy. I wish I could place all the blame for the fact that we have not had a long-range energy policy on the Republican administrations we have these last years, but I cannot. We as a Congress are as much to blame. We need a long-range energy policy. We do not have one.

But here today I am not going to talk about our failures in not developing a long-range energy policy. What I want to talk about today is our failure to develop a long-range mineral policy because, you see, minerals are essential. These things I have talked about relating to gold are not a trace or something that you do not need. These are products using thousands of ounces, millions of ounces of gold each year, that are required in our essential industries. Mr. President, there are things other than gold that we should be concerned about.

Copper, of course. My friends from New Mexico and Arizona are going to talk, I am sure, about how important copper is.

But there are other things. We have done nothing about our lack of chromium. We are only about 20 percent self-reliant. We have to import 80 percent of our chromium.

Cobalt. We import 95 percent of cobalt from very unstable countries in Africa. Chromium is essential for the construction of automobiles, aircraft, insulation of high temperature furnaces and many other industrial applications. Cobalt is crucial in the forging of alloys, the building of tool bits, and the refining of oil. Manganese is crucial in the alloy process of certain high-strength steels used in all kinds of industrial processes including weapons systems that are crucial to the Nation's defense. One hundred percent of our manganese is imported, mostly from South Africa.

Platinum group metals are essential in petroleum refining, chemical processing, automobile exhaust treatment. They are used in telecommunications equipment, medical and dental equipment. Ninety-five percent is imported from South Africa.

Let us talk about platinum. Let us talk about the State of Montana. Because out of those essential minerals I have talked about, this country has developed in the great State of Montana a platinum-palladium mine. Does everyone hear that? We have developed a platinum and palladium mine. Ten years ago this was unheard of. We are not going to have to be totally dependent on the unstable Government of South Africa, or after the revolution that took place in the Soviet Union, the State of the former Soviet Union. That is where we imported all of our platinum and palladium before.

People in this country, who were willing to take a chance, have received a mineral patent on the property in Montana and invested over $100 million to develop this mine in the small State of Montana. They are losing a congressional Member this year.

In the small State of Montana this is a large employer—400 men and women work in the Stillwater Mine. They have an annual payroll approaching $20 million in a depressed area. They spend millions in State and local taxes. They purchase over $25 million in goods and services from that small State every year. They have given impact grants to local government—not given, they were required: schools, roads, sewer systems, water; reclamation is excellent. This project did not make any money last year. We have heard statements made on this Senate floor about the great ripoff of the Stillwater Mine, how they are making all this money at the expense of the taxpayers.

Remember, to get this patent issued costs a lot of money, to get the mine started costs a lot of money. They pay a lot of local taxes. They have a lot of problems. They had receipts this year of $50 million but they did not make any money—no profit. At the rate of what they are doing, and the statements made on this floor, it would take 600 years for them to make what my friend, the senior Senator from the State of Arkansas, said they would amass—without $1 of profit.

On June 29 of this year in a communication from a man I have never met, never talked to, by the name of J.B. Mancuso who is with the minerals unit of the Pittsburgh and Midway Coal Mining Co., the company that operates there, with their home office in Colorado, he said: "If additional costs are imposed on the Stillwater operation, all"—and he underlined "all"—"of the world's platinum and palladium will likely come from South Africa and what was the Soviet Union."

So let us remember what we are doing here. We are striking at the heart of operations that are important to this country and to States like Montana, Arizona, Nevada and, as I have already indicated, Mr. President, not only important where the minerals are extracted but places where they make the drills, like in Texas at $700,000 to $800,000 a cut; where they make some of these big dozers in places like Peoria, IL; places where they make some of these large trucks like in South Milwaukee, WI.

So this legislation, Mr. President, is not legislation that is only important and has an impact on Western States. It has an impact all over this country because of the manufacturing that takes place.

This bill that is now before the Senate, the Interior appropriations bill, is a bill that I worked hard on. I serve, and am very proud of the fact, under the President pro tempore of the Senate, the senior Senator from West Virginia, and as all the Senate knows, he runs a pretty tight committee. In the mark which we received, there was a $100 holding fee.

What is the $100 holding fee? A $100 holding fee does not apply to patented claims but unpatented claims. On these unpatented claims, Mr. President, situations develop where a person, since 1872, would go into a place like Nevada, Arizona, California and locate a claim, not a patented claim, they can go out and locate a claim. And for many,

many decades, what they have done each year to maintain that claim is they do $100 worth of what is called assessment work.

The committee, Senator BYRD, and the Interior Committee on the House side felt that that was old fashioned and that instead of doing $100 worth of assessment work, there should be $100 paid every year to hold that claim, and that is where the term came, "holding fee." That is in the bill.

I complained about it in committee and recognized very quickly that we could do nothing to take that out of the bill. I made a statement before the subcommittee and the full committee, but the fee is in the bill. That holding fee will bring to this country about $50 million. This is the will of the chairman of the committee and the majority of the people on that committee. I do not like it because I think it has a serious impact on prospectors, but it is in the bill and I acknowledge that.

In Nevada, there are 400,000 claims, approximately, like this and these claims now will be assessed with a $100 holding fee or they will go back to the public, public land. It is in the bill. Everyone should understand that, that it is in the bill.

What specifically, Mr. President, does my amendment that is now pending before this body do?

My amendment establishes that when a patent is applied for and, in effect, has been proven up that the price for that land will not be as it has been traditionally, $2.50 or $5 an acre, but will be fair market value. The senior Senator from Arkansas has complained about this all the time I have been in the Senate, and even though it costs $100,000 to get a patent—and that was the argument why they got the land so cheaply—even though it cost approximately $100,000 to prove up on a claim, this amendment I have offered will now require someone who is claiming a patent, these 20-odd people I talked about in this country, these 20-odd people will have to pay fair market value for this land. That will take away, I think, an argument that has been on this floor for months, for years. Even though, I repeat, they pay in all kinds of costs and fees, about $100,000, to prove up a claim, this is not only, I think, good from a public policy standpoint, but I think it is also good for public relations.

Mr. President, to prove up on a patent is really not one of the easiest things to do. I talked about the fact that it costs about $100,000 to do it, but I have listed on this visual aid just a few of the steps necessary to obtain a patent. This is a process that does not take a couple of days, a couple of weeks, or a couple of months but we are talking about years, if, in fact, one is fortunate enough to be able to prove up on it.

We have all these steps from the time the operator decides to attempt to obtain a claim patent under general mining line to BLM posting notice of the application, where you pay the purchase price—it is on and on, I have listed these just for purposes of illustration. I am not going to go through each of the steps, Mr. President, but everyone can rest assure it is not an easy process and that is one of the reasons it costs $100,000 to have the patent issued.

So one amendment, as it relates to patents, will have for the first time that the applicant will have to pay fair market value.

Also, one of the things my friend, the senior Senator from Arkansas has talked about and with some basis is that it is not right that you have the patent issued and then you cease mining operations, or maybe never even start mining operations to improve your mineral interests in it.

What do you do? You decide to build, I think some examples were a motel or something on the property. Those examples, even though they were rare and the people who did it were scoundrels and in violation of the law I thought, but as we all know in mining and the business of politics, athletics, whatever it is, one rotten apple can spoil the whole barrel and a few rotten apples in this instance I think has created a bad image. This amendment will say now that when a patent is issued for mining, if that person ever uses the land for any other thing than mining, it reverts back to the Federal Government. That will be the law if this amendment is agreed to.

So we have established two of the things that my friend from Arkansas has talked about: Fair market value and reversionary interests are things that are now in this amendment. These are arguments that my friend can no longer use because they are in this amendment, and I would think that he should support this amendment.

It may not be everything he wants, but certainly it is a step in the right direction.

We have also in this amendment stated that with these patents that are issued there will have to be reclamation. Reclamation has become an accepted part of mining operation in this day and age and, if it has not been accepted, it should be.

I will take just a brief amount of time of my colleagues to talk about a couple of mines in Nevada. There is a mine near Hawthorne, NV, called the Borealis mine that is presently on a multiyear, multimillion-dollar reclamation effort. It has already restored much of an old mine—that mine went back long before this operation started—restored the landscape back to normal, and it will have it back to normal before they are finished. The entire area will be reclaimed. For this, Mr. President, they have received a Governor's award for the most outstanding reclamation in the State of Nevada.

I indicated in my opening statement that my place of birth, Searchlight, NV. Searchlight, NV, is desert. I grew up there. There may have been a tree in town. I cannot remember where it was, if in fact there was one. There was no grass. But as stark as the desert is, it has rare beauty.

Just a few miles from where I was born, 6 or 7 miles up what we call the Nipton Road, there is the largest Joshua forest in the world, the thickest Joshua forest in the world, and located in that beautiful forest is the famous ranch of the cowboy actor Rex Bell and the famous actress Clara Bow, the Walking Box Ranch. When she became ill, that is where they came and that is where she spent a lot of her last years.

Well, just a short distance from Rex Bell's ranch, right over the Nevada border in California, is a new mine called the Viceroy mine. There will be arguments made during this debate that some of these mines are owned by foreign companies. The Viceroy mine is owned by people from Canada, a Canadian company. Why? Well, I talked to the old man in his mideighties who for years and years tried to convince American companies that there was gold here. There were some old mines going back 50, 60 years, 70 years, but he said this was a big find. The only person he could get to invest in this was a man from Canada who liked the idea and he went and raised in America and in Canada millions and millions of dollars.

Mr. President, that mine took about $65 million, a lot of money, $65 million before the first ounce of dirt was taken out that ground. This was done through mineral patents.

Now, the reason I mentioned the Rex Bell and Clara Bow ranch is that Joshua trees will only grow at a certain elevation. Low desert, they do not grow. The elevation they will grow in is around 3,000 to 4,000 feet, approximately. Anything higher than that or lower than that, you do not have them. Well, this mine has Joshua trees. As part of their agreement with the State of California, Viceroy had to agree to put the mine back in its original shape. As a result of that, they have a huge nursery in the middle of the desert. Every tree that they take out they have to replant, and when they finish mining it is to be put back where it was. You can drive out there and see this huge nursery in the middle of the desert. There are the Yucca trees and some Joshua trees.

This mine began to produce gold in February of this year. They have received an award already from the Sierra Club for developing a reclamation plan that has been praised as one of the best ever. Environmentalists have said that Viceroy mine, when they are finished mining, will look just like it did before they began the mine operation. And as part of their agreement they ac-

cepted responsibility of reclaiming some old mines that were already there and have nothing to do with their current operation.

That is why I said, Mr. President, that in modern-day America, in modern-day mining, you do not have the problems you had in the days of my father.

This legislation in the form of this amendment I have offered on behalf of Senators DOMENICI, DECONCINI, BRYAN, and myself will require reclamation. It has been contended that minimal levels of reclamation are not standard within every State in which hard rock mining occurs. While States such as Nevada, have very good reclamation laws, there is no clearly defined floor or baseline standard for State reclamation. My amendment will accomplish this minimum level of environmental standard and still afford States opportunities to maintain primacy in the area of reclamation. This should satisfy the detractors of the mining law who claim that State standards are nonexistent or not stringent enough. In effect, this will act as an incentive to those States that do not have presently a State mining reclamation act to take steps to pass such a law; otherwise, the Federal Government will step in.

As I said earlier, reclamation in many States is already pretty good. So, in effect, what this amendment will do is establish the standard that if a State does not have a reclamation standard, and some States do not, then the Federal Government will step in and take over.

Mr. President, I received—and I was disappointed—yesterday in my office a communication from a man by the name of Jim Lyon, who is from an organization called the Mineral Policy Center. Now, I have never met him, to my knowledge. I am sure he is a very competent lobbyist. I am sure he means well. But I have to submit that either he received some very bad information or that the information he received he simply does not understand. This flier that came to all Senators' offices is entitled "Oppose Reid Amendments in the 1872 Mining Law."

Why? He says this amendment that I am offering will charge fair market value. But this is not enough. He wants to go further. He said this is not good, that this is only for the surface of the mining claim patent. I guess what he is saying, unless you get royalties, do not vote for anything. He also says token Federal reclamation standards.

Now, I consider this, Mr. President, an insult. The State of Nevada—and I have given only two examples—has very high standards of reclamation. I have not talked about the huge game refuge that has been established in northern Nevada with the excess water out of the mines. Now it has become part of the great North American flyway.

Token Federal reclamation standards. These are not token. And a modest annual holding fee—$100 a claim; $50 million for this Government modest? I do not understand these constructive, substantive changes. I could understand why they would write a letter.

So I suggest, Mr. President, that those of my colleagues who have received opposition to these amendments not be mislead. Either this gentleman does not understand, or he has received bad information.

We will hear some debate here today about royalties. My friend, the senior Senator from Arkansas, wants to talk about royalties. I will get this debate started on royalties.

Let us see what we are comparing. We have in America today domestic oil production coming from 607,000 wells. It used to be a lot more than that. The ranking member of the Interior Subcommittee I have heard talk about this at times—my friend, Senator NICKLES—about how domestic production is going down, and we are not doing enough to stimulate domestic production. Even today, with 607,000 wells, I know that is not enough. But we have them.

Natural gas, 258,000 wells; coal, we have 3,000 mines in 27 different States. But listen to these figures, Mr. President: Copper mines, 13 mines in this country produce 95 percent of all the copper in our country; zinc, 25 mines produce 99 percent of all the zinc in America; iron, 10 mines produce 99 percent of the iron in America; gold—you know all these massive giveaways that we have heard about, which are established as fictitious—there are 25 mines in America today that produce almost 80 percent of the gold.

What I am saying, Mr. President, is with the handful of mines—less than 75 mines—producing copper, zinc, iron, and gold, a royalty would run most of them out of business, and they have said so. I read to you the letter on the palladium mine that we have. They just simply could not do it.

The royalties suggested by my friend from Arkansas, would, within the first 6 months after passage, be the equivalent of a 30-percent or greater range in job loss during the first year. Not only these job losses I have established, Mr. President, where they occur in the direct application of mining, but in Peoria, IL; south Milwaukee, WI; and Texas, where they make the drills.

One of the ways that there is to generate jobs in the production of equipment is for these mining companies to continually go out and explore for more. With the royalty, that would stop in a minute.

I think it is educational, Mr. President, to demonstrate that any increase in the Federal Treasury—that is, a motivation in the passage of any proposed bill—is illusory. If the impact of the royalties are as they appear, which would quickly result in a 50-percent reduction in production, the net revenue impact of the royalty would be worthless, wasted, illusory.

I think that it is educational to look at someone who is an expert on this. There is a man, an activist working to reform the general mining law, who has stated—he is an antimining-law activist, but he is not in favor; he is against. He thinks there should be major reforms.

Here is what he says about the royalty.

> The lack of rental or royalty does not mean that the Federal Government receives no return on its minerals. The various tax consequences of mining are too complicated to deal with here. But hardrock mineral developing * * * like any income-producing business, eventually produces direct or indirect payments to Uncle Sam.
>
> The argument for greater revenue return is thus not an overwhelming argument for reforming mining law.

So he is saying reform the mining law, but not the royalties. I have not read all of his stuff, but I bet he would like what is in my amendment. I bet he would like the reversionary clause; I bet he would like the reclamation clause; and I bet he would like the fair-market clause.

My friend, the senior Senator from Arkansas, has stated that there is a mine in Nevada, Newmont Mine, that pays a royalty. If they can pay a royalty there, they can pay a royalty anywhere. Remember, we have established that 25 mines that produce approximately 75 to 80 percent of all the gold in the United States.

My friend is right. Newmont pays 16-percent royalty to some private individuals on a very small portion of their operations in northern Nevada. When the lease and the royalty with the private landowners were negotiated—remember, in Nevada, we only have 13 percent of the land that is privately owned—when they made this deal, they already knew there was an ore body there in existence. It was not necessary for Newmont to perform costly exploration work to find the ore body.

On unpatented mining claims, this is not the case. A company has to put a great deal of money in before an ore body is discovered, much less mining it. We talked about that.

The transaction between Newmont and the private landowners involved a lease on a small portion of an old ranch, called the TS Ranch, involving a royalty fee. The same transaction also involved the sale of all remaining mineral rights on the balance of the ranch, free from any royalty. If they found gold someplace else, they paid no royalty.

The Newmont gold lease and the purchase of the TS Ranch cited by my friend, Senator BUMPERS, were very site-specific commercial transactions, resulting from an arm's length bar-

gaining between two parties—Newmont and the owners of the ranch—which took into account the specific characteristics; that is, the known ore body of the property involved.

The terms of the lease and the royalty portion of the Newmont transaction probably would not be appropriate for any other property in the United States unless its characteristics, unless its makeup, match those of the TS Ranch.

If someone owned a ranch that measured 15 miles by 25 miles, having a known ore body containing 8 million ounces of gold next to an existing operation with an infrastructure in place, then it might well make sense for a second party to agree to pay a royalty on that ore body and obtain the balance of the mineral rights free from royalty.

Of course, it is suggested by my friend from Arkansas that by definition we cannot accommodate site-by-site bargaining. Instead, these proposals establish a blank-term on all public lands, and if this were proposed by the Congress on mineral production of lands, it would have terms that would be too expensive for lands that do not already have discovered ore bodies.

There would not be any exploration on any lands with no new ore bodies. Given a choice between exploring lands offshore with a lesser or no royalty, or exploring on lands carrying a royalty, the company will always choose the less costly option.

Mr. President, none of the world's leading mining nations—Australia, Canada, and South Africa—impose Federal royalties on mining production within some of those jurisdictions, some of the provinces—or we can refer to them as States, as in the United States. Nevada has a tax on mining operations, as in other countries. But these countries, the world's leading mining nations, impose no Federal royalty on mine production.

To promote economic development, some provinces in these areas—that is, these States I referred to within the countries—have exempted mineral-rich areas from taxation. For example, western Australia, the center of Australian gold production—a competitor to us, the United States—exempts gold from a royalty. In South Africa, royalties are not charged by the South African Government for any mining on state lands. In fact, the corporate taxes in mining are currently being reduced. In Canada, the Federal Government does not levy royalties on crown land mining. Some provinces impose a tax on corporate profits, like the State of Nevada does. Australia—we talked about that.

Mr. President, one area that I want to talk about in anticipation of my friend, the senior Senator from Arkansas, is a subsequent amendment that I am going to offer. I have not offered it as part of this amendment because one of the cosponsors felt that it could not be supported.

But I ask my friend to listen to what this amendment would do, which will shortly be offered. Mr. President, it would prevent uncommon varieties from being patented, such as flagstone, building stone, sand, those kinds of things. Under the 1955 act, the ability for those to be patented was established. These uncommon varieties would not, under my amendment, be allowed to be patented. This is not related to the hard rock industry and should be made available to something other than patents.

I think this is an area where I want to join, I hope, my friend from Arkansas to stop where most of the patent fraud is coming from, the so-called sand scam. Very rarely have any of these come with hard rock mining, because it is so difficult to prove up, and it rarely has happened. At a later time, I hope my friend will join me and cosponsor this amendment, which would exempt uncommon varieties from the patent.

I kept my word, as I indicated earlier, Mr. President. I said publicly, and I said privately, that I would work for some substantive changes in the 1872 mining law. These are substantive changes: Right of reversion, fair market value, reclamation. We are going to work on uncommon varieties. We already have a holding fee in the bill. There is more reform in this amendment than in the history of the whole act. That is not bad.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order is the first remaining committee amendment, which begins on page 3, line 14, of the bill.

AMENDMENT NO. 2881

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 2881.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word and insert the following:

"SEC. . (a) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws or to issue a patent for any mining or mill site claim located under the general mining laws.

(b) Notwithstanding any other provision of law, any legal action, including an action for declaratory judgment, to challenge the legality of this provision as it applies to patent applications which were filed with the Department of the Interior on or before the date of enactment of this Act and for which all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 390) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36 and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by such date, shall be brought within 6 months after the date of enactment of this Act in the United States Claims Court, which shall have exclusive original jurisdiction over any such action. In addition to the current authority of such Court, United States Claims Court is authorized for the purposes of this section only, to provide declaratory relief. Such action shall be barred unless a complaint is filed within the time specified.

(c) If the moratorium as it applies to patent applications referenced in subsection (b) of this section is held to be invalid by a final nonappealable decision, subsection (a) shall not apply to such patent applications and such applications shall be processed in accordance with the laws in existence on the day prior to the date of enactment of this Act."

Mr. REID. Mr. President, parliamentary inquiry. It is my understanding that the amendment that the Senator from Nevada offered, which was a second-degree amendment to a pending—I am sorry, the excepted committee amendment is not amendable.

The PRESIDING OFFICER. The Senator from Nevada is correct. The amendment being offered by the Senator from Arkansas is not an amendment to the amendment of the Senator from Nevada.

Mr. REID. Mr. President, I am going to suggest the absence of a quorum.

Mr. BUMPERS. Mr. President, before the Senator asks for a quorum call, if I might just make a couple of observations, and then if he still wants to put the——

Mr. REID. I think we can avoid a quorum call if I can direct a question to the Chair.

I apologize to my friend.

Mr. BUMPERS. That is fine.

Mr. REID. It is my understanding, Mr. President, that the pending business would be the Reid-Domenici-DeConcini-Byran amendment, and that the amendment offered by the Senator from Arkansas would be a subsequent amendment; that the Reid amendment would have to be disposed of prior to operating on the second amendment.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the pending amendment is the Bumpers amendment.

Mr. BUMPERS. Mr. President, there is so much to be said, I hardly know where to begin, because I have made my speech on this problem in this body. This is the fourth straight year. I simply want to say to my colleagues that this problem must be resolved. It will not be resolved by the amendment

of the Senator from Nevada, which is, at best, a diversionary tactic; nor will it be resolved by the amendment I just sent to the desk, which is a moratorium on issuing of patents until October 1 of 1993. That is no solution either.

Mr. President, I think of the hours I have put, in the past 2 years, into an effort to bring to this body a comprehensive mine law reform bill, when I think of how many Western Senators I have talked to, how many endless hours of staff work, giving, talking, compromising when I did not want to, changing almost totally the complexion of the bill I first introduced last year, which was S. 433, in an effort to bring a conclusion to the problems which persist, and will persist forever until this body takes action.

The authorizing committee in the House has passed a very comprehensive bill. It is one the American Mining Congress deplores. I do not blame them. I might say to my friends in that organization—and I have been visiting with them—there are a lot of fine people in the American Mining Congress, and they represent mostly the big mining companies of this country. I can promise you they want it resolved. They may not want it resolved precisely the way I do, but they are tired of seeing all of these exposés on "20-20" and "PrimeTime Live," and the two exposés on the evening news in the past 30 days, and on NPR yesterday morning, for the 40th time.

So they want it resolved. They are tired of being hammered, and I am tired. I know my colleagues are tired of hearing me make these arguments. My father used to have an expression: "Everybody's business is nobody's business." Once you get east of New Mexico, in all fairness, not much of anybody in this body cares about this issue. When you go west of Oklahoma and Texas, everybody cares about it. They are concerned about jobs. They are concerned about their economies, and I am, too. I might also say that that moratorium that I have just offered as an amendment will not cost one job, not one.

It will not shut down one mine or cost one person his job. It is simply saying let us go back to the drawing board after the first of the year and see if we cannot resolve this?

At some point if we cannot come up with a comprehensive bill dealing with mining claims, dealing with reclamation and bonding, dealing with royalties, who is going to clean up the mess? If we cannot deal with all of those things which are central to this problem, then we probably will just pass some kind of a royalty bill here, and that will be the end of it. But I can tell you that would be a very sad commentary on the U.S. Senate if it accepts that as an ultimate solution.

Every evening on the news you hear commentators talk about how angry people are. They refer to the anti-incumbent mood. I may be wrong, and it may be a wish on my part, I believe that some of that hostility has waned a little bit. People may be mad about the House bank; they may be mad about the pay raise; they may be angry about the House post office scandal, or whatever it is. But I can tell you those who have watched all of these documentaries about this particular practice that we allow to go on uninterrupted on Federal lands, I promise you their anger boils over. Every time one of those who have watched all of these documentaries about this particular practice that we allow to go on uninterrupted on Federal lands, I promise you their anger boils over. Every time one of those shows comes on, the next day our switchboard lights up with people calling, biting their teeth, saying I cannot believe you guys allow this to go on.

(Mr. ROBB assumed the chair.)

Mr. BUMPERS. Mr. President, you think about this for openers. If you want to drill for gas, you want to drill for oil, on Federal lands, you have to submit a bid just for the right to drill, and then you have to agree to pay 12½ percent royalty on everything you take out of the ground, oil or gas. And that is the minimum. You have to file an environmental impact statement. You have to promise to clean the mess up when you leave, and the Government gets billions out of this. That is true of oil and gas.

If you want to mine coal on Federal lands in the West you have to submit a bid for it and you have to agree to a royalty of not less than 12½ percent.

If you are going to go underground, like they do in West Virginia, on Federal lands you pay 8 percent. If you want to try to generate power on Federal lands from geothermal sources you pay 10 to 15 percent.

But when it comes to hard-rock mining, you know we have a concept on forest lands called multiple-use sustained yield, which means you do not cut more timber over a 150-year period than you can reproduce. It means the forests have been available for recreation, camping, and hunting. All of these things are considered multiple uses. But if you walk into the national forest and you have a mining claim of 20 acres filed that did not cost you a penny, put up four stakes and you stake out 20 acres, 10 years later you go to the administrator of the Forest Service and say I have found a valuable mineral, that 20 acres immediately becomes the highest and best use of the property.

You think about it. And the Secretary cannot deny that miner the right to mine it. He cannot deny the miner the right to mine that if it is in the middle of Yosemite or Yellowstone National Park. If you think I am embellishing this, call them, call the Secretary of the Interior, call the chief of the Forest Service.

You think about all the resources on Federal lands in this country, but hard-rock mining is always considered the highest and best use. Everything else is subordinate to it. And it has been that way now for 120 years, since Ulysses Grant put his name on the line in 1872 and put this bill on the books, which I am trying to reform.

When I first heard about this several years ago, I was as incredulous as you are. You mean to tell me that people can go out West and just put four stakes down and say this is my claim? The answer to that is "yes." If you want to file 25 claims on 500 acres, all you have to do is put the stakes down. That is right.

Do you know how many of those claims are already out there right now? Two million two hundred thousand. You know how many acres it is? Forty-three million, 45 million acres of Federal lands on which claims have been filed.

This bill contains one provision that the House bill contained that makes a very tiny change in dealing with the problem. In the past, for every claim you filed, you had to certify every year that you have done $100 worth of exploratory work on the claim. That has always been a charade; everybody knew it.

I tried to do it before, but the House put a provision in saying that in the future you cannot just say you put $100 worth of work in, you have to send us $100. That gives us a net $57 million. You know, in our subcommittee we can certainly find plenty of places to use that.

That is in the House bill and that is in the Senate bill, so you can count that, I think, as a done deal unless the President vetoes this bill.

But after you file that claim of 20 acres or whatever it is, if you find anything on it you can go to the Bureau of Land Management and I say I want a deed to it. And you go through certain steps over a year or two's time, and he will give you a deed to it for either $2.50 an acre or $5 an acre. It is a pretty good deal. Just last year the Secretary issued 26 of those covering 4,000 acres. Four thousand acres of Federal lands were sold last year for either $2.50 an acre or $5 an acre.

But what is unbelievable is that if that land produces $10 billion worth of hard-rock minerals over the next 30 years, you know what the U.S. Government gets out of it? Zero, not 1 penny.

The Senator from Nevada pointed out that the Newmont Mining Co., which is a British company—Sir James Goldsmith owns 37 percent of Newmont Mining Co.—they have a mine in Nevada and they pay on private land, the Senator said 16 percent royalty. It is my understanding they pay 18 percent. But if Newmont found gold on Federal

lands they would pay not 1 penny. And the argument is made here that somehow or other all the mining companies are going to go broke.

Now, Mr. President, you want to mine land, you want to mine land in Montana, you want to mine land in Montana, the royalty by the State of Montana is not less than 5 percent on the full market value. So Newmont, if they go over and mine on lands that belong to the State of Montana, they pay 5 percent. They mine on this private land they pay 18 percent. You want to go over to California and mine some on California State lands, you pay a 10-percent royalty. You want to mine in Arkansas, my home State, we have a royalty but we do not have any hard-rock mining going on. Arizona 2 percent; Alaska 3 percent; Colorado varies depending on the mineral; Idaho 2½ percent; New Mexico at least 2, plus at least 2 percent on all bonuses or premiums; Utah 4 percent; Wyoming, gross sales 5 percent, and 30 cents a ton for bentonite. And yet the Senators from all the respective States will speak here on the floor today and tell you the mining companies are going to go broke if they have to pay the U.S. Government 1 red cent.

What kind of an argument is that? It is strange, to say the least.

And who are these people? Who are these people? Listen to this. Here are the top 10 mining companies in this country. Carlin Complex, 45 percent United Kingdom; Goldstrike, 100 percent Canadian; Jerrit Canyon, 70 percent Luxembourg, 30 percent American; Smokey Valley, 50 percent Canadian, 25 percent U.S.A.; McCoy-Cove, 100 percent Canadian; McClaughlin, 100 percent U.S.A.; Chimney, 100 percent Great Britain; Fortitude, 100 percent U.S.A.; Bullfrog, 65 percent Canadian; Mesquite, 100 percent British. Two of the top 10 companies owned by the United States.

Somebody sent me a big feature story out of the London Telegraph, had my picture on it. I thought, "What on Earth?" Well, boy, do not think Great Britain does not have a passing interest in what happens in this bill?

But let me say this, Mr. President. These two United States companies, McClaughlin and Fortitude, I invite them to go to Canada and mine and tell the Canadians they want to mine on their land; they do not want to pay any royalties, and they do not want to file a reclamation claim, and they do not want to put up a bond for reclamation. The Canadians would laugh them out of their country.

Yet, they come here and say to us: I want to mine your land. I do not want to pay any royalties. And I might want to join 1 of these 77 abandoned mines on the Superfund site, so you taxpayers can pick up the tab for the mess I leave.

Mr. President, if we were to put a royalty on hard rock mines in this country, I daresay, GAO says there is $100 billion dollars worth of hard rock minerals still left on American soil, federally owned land, $100 billion. If you mined every drop of it, and you had a 5-percent royalty, and $5 billion was returned to the U.S. Treasury, I daresay that would not clean up those 77 Superfund sites.

Now I only point that out because that is just one facet of this whole thing. The Senator from Nevada has cleverly crafted an amendment that uses the term "fair market value." And who is opposed to fair market value? Fair market value of what? The surface.

Stillwater Mining Co.—listen to this, Mr. President. Some of you will remember rather late in the evening here in 1990, when we had this Interior appropriations bill up, I offered a patent moratorium exactly like this. And after a very heated debate between me and, as I say, all the western Senators, I lost 50 to 48. And there were some clarion calls that went off across the Nation.

Four days later, the Stillwater Mining Co. owned by Chevron, and I believe Johns-Manville, filed an application for patents, that is deeds, on 2,000 acres in Montana. Now they have a mine already in existence. I am not sure what they are going to pay for that, but I think it is $2.50 an acre. I take that back. I believe they are paying $5,000 for it, because I think they are going to pay $10,000 for 2,000 acres.

You know what lies underneath that 2,000 acres? By their estimates, not mine, by their résumés and their prospectus, not mine, 32 billion dollars' worth of palladium and platinum.

The Senator from Nevada would have you believe we are most honored to have the Stillwater Mining Co. willing to go out there and mine that for us.

If you were to adopt the amendment of the Senator from Nevada to pay fair market value, the last figures BLM put out showed that if you exclude California, the fair market value of all this Federal land that people are asking for patents on is $100 an acre.

So let us assume that we are going to hijack Stillwater and say, "We will not sell you the surface for $5 an acre. We have to charge you the fair market value, which is $100 an acre, and therefore you are going to have to pay $100,000 for this land."

Now, I want to ask you, when you consider Stillwater Mining Co., owned by Chevron and Johns-Manville, I want you to ask yourself what a big deal that is as to whether they pay $10,000 or $200,000. Either way they get 32 billion dollars' worth of hard rock minerals that belong to the taxpayers of this country, and they get it without paying 1 nickel royalty for it. So when you are talking about fair market value, you just think about that.

In many ways, in my opinion, the amendment of the Senator from Nevada adds a problem, it makes matters worse.

Illustration: let us assume that you go to Arizona or New Mexico, which have no reclamation laws, none. No reclamation laws. And the Senator's amendment says that you will either comply in mining with the State law, and if there is no State law, which obviously applies to New Mexico and Arizona, then you will comply with Federal law.

So you ask yourself, that sounds pretty good, does it not? If there is no State law, I have to comply with Federal law. There is just one problem. There is no Federal law.

I will tell you what the Federal law is and it is the only one. It is called the Federal Land Policy Management Act, which we passed here about the second year I was in the Senate. And what it says is, you will not cause any unnecessary disturbance or—I forget what the other word is—undue degradation. What does that mean?

Let me take you a step further. Did you know that once you have a claim and you can prove to BLM that you have found a valuable mineral—that is the term, valuable mineral—he cannot keep you from mining that mineral. If you do not like his application on reclamation or anything else, you can negotiate with him, but you cannot keep him from mining it.

In the case of Arizona and New Mexico, he goes in and he puts up a 20 acre mine. Now bear in mind if it is 5 acres or less, he does not have to consult with anybody. All he has to do is file some kind of a plan that is just nothing.

Incidentally, most mines in this country are in that category, below 5 acres. That is where a lot of these Superfund sites come from, too.

But let us assume he goes broke. Nobody is looking at the environmental laws. He leaves it and it is an environmental disaster. He leaves it for us to pick up.

The amendment of the Senator from Nevada says, oh, we have taken care of that. The Secretary has the right to renounce if he abandons it, and instead of it reverting back to us, as his amendment provides, the Secretary can renounce the reversion part of it.

So what do you have then? You have private lands again on the Superfund list.

There are over 400 patents pending in this country right now, and if we do not pass this moratorium, a whole host of them are going to be granted.

I consider the Senator from Nevada one of the finest men in this body, a man of integrity, a man of sincere beliefs, a man who I am happy to call my friend. But if you adopt this proposal which, as I say, is nothing in the world but a diversionary tactic—the term "fair market value" has been very carefully crafted to make you think

they are paying fair market value for the minerals. They are paying nothing for the minerals. They are buying the surface which has a value of $100 an acre and pretending this problem has been resolved.

The House bill provides for an 8-percent royalty. Think about that. That is on every stick you take out. I am willing to talk about profits, taxable profits, put a royalty on the taxable income of the company.

Mr. President, this photograph is by David T. Hanson. It has not been altered. This black pond right here with the orange edge is water which has been poisoned by mining filling that pit. This is the Black Cloud Mine in Leadville, CO. That is a pretty appropriate name, is it not? Black Cloud—when you look at that pond down there.

It is now a Superfund site. The taxpayers of this country will have an opportunity to pay millions, probably hundreds of millions to clean this mess up. And if we do not do better than we have been doing, there will be another one and another one and another one and another one and the taxpayers get left for something they got nothing in return for.

Mr. STEVENS. Will the Senator yield?

Mr. BUMPERS. Yes.

Mr. STEVENS. Does it not happen to the private land in the Senator's State? The Superfund pays those costs on private lands in the Senator's State. Why should we have a distinction between public land? I do not quite understand the Senator's point about the Superfund, the taxpayers are going to pay to clean up. The taxpayers are going to pay to clean up past abuses on lands in the United States, not just on public lands.

Mr. BUMPERS. Senator, it does not make any difference to me whether it is private lands or public lands. This land apparently has been abandoned and so it now reverts back to the United States. So from that sense, it is public lands, but I would not care whether this occurred on private land or public land.

What I was saying a while ago, Senator, is you are going to have a situation, for example, in Arizona and New Mexico, which becomes private land when you sell the surface and it is going to remain private land until he abandons it and maybe leaves this kind of a mess and the Secretary says we are not going to take that mess back. Then it becomes a Superfund site which is a site on private land because we sold the surface.

Mr. STEVENS. Will the Senator yield again?

Mr. BUMPERS. Yes.

Mr. STEVENS. The Federal Government gave the Senator's State to the homesteaders. We have the same obligation under the Superfund land. I think sometimes the Senator was born 100 years too late. The problem really is many of these issues were created on privately held land, many of them are on publicly held land. I do not see that you should say this land reverts to the United States. It is U.S. land because it is not entered into the private ownership of land as is the situation in almost every State in the Union except for some of the public land States in the West, where the Senator's philosophy prevents private ownership from having a responsibility. If we had private responsibility, that would not have happened.

Mr. BUMPERS. Senators, since you raised this issue about public versus private, let me ask you this question: If you had 1,000 acres and knew there was 32 billion dollars' worth of hard rock minerals under the surface, would you let me come in and start mining it?

Mr. STEVENS. I will be pleased to answer that question in this way: In the Senator's State, there was a great land rush and whoever wanted lands went out and took it. And the good people of the United States gave that land to your predecessors in Arkansas. In my State, it has either been reserved or inaccessible. One of the few things left, one of the few laws left is the Mining Act of 1872.

Mr. BUMPERS. You talk about being 100 years too late. The Senator is the one born 100 years to late. This should have been corrected 50, 100 years ago.

Mr. STEVENS. Perhaps we should not have repealed the Homestead Act, or repealed the Small Tract Act, or repealed the Trade Manufacturing Act—all of the acts the people of the Senator's philosophy sought to deny people access to the public lands in the West.

We do not have the same right existing in your State when it was subject to development. Nevada, Arizona, the public lands of the States of the West are now denied access. This is the one act left—the one act left—the mining law of 1872 which has sustained the great mining industry of America, is now under attack because of the Senator's basic attempt to say these lands, contrary to the history of the West, should not be available under any circumstances unless you go out and find out what they are worth before you dispose of them. Is that not the Senator's philosophy?

Mr. BUMPERS. Does the Senator think the mining company makes all those determinations before they open a mine? Why, of course, they do. They do not go out there and start mining without core drilling, without exploration, without doing all the preliminary work to decide——

Mr. STEVENS. Who does that, Senator? Who does that, Mr. President? I hope the Chair will permit a little exchange.

Mr. BUMPERS. We are not on a time agreement. We are just having a colloquy.

The PRESIDING OFFICER. The Chair requests Senators direct their comments through the Chair.

Mr. BUMPERS. Will the Parliamentarian restate that?

The PRESIDING OFFICER. The Chair requests Senators direct their comments through the Chair.

Mr. STEVENS. I apologize. Mr. President, again, I want my friend to yield and I assume he will.

Mr. BUMPERS. Let me say to the——

Mr. STEVENS. Will the Senator yield?

Mr. BUMPERS. I will be happy to yield.

Mr. STEVENS. So I can finish this concept.

In terms of what the Senator is pursuing now, he is saying that because the taxpayers, really the people of the United States own public lands out there that there should be a determination of what is in the land before it can possibly go into the industrial base of the West; is that not what the Senator is saying?

Mr. BUMPERS. Would you repeat that? I am sorry.

Mr. STEVENS. I said, is not the Senator saying that before this land that is subject to a mining claim under the 1872 laws is subject to a patent, there should be a determination of the value of what is in the mining claim and that the person who has discovered the ore body should pay the fair market value of the ore body, you want a determination of the value of the contents of the land before it is passed under the mining law of 1872?

Mr. BUMPERS. Not at all. I want to clarify that for you. Nothing can be further from the truth. You asked me about getting a patent on the land. Let me state for the clarification of all my colleagues, about 70 to 80 percent of the mining on Federal lands is not under a patent. Why is it not? Because if you want to go mine on your mining claim, they will let you do that. You do not even have to get a patent.

But what the members of the American Mining Congress and some of the big mining companies say, if we do not have a deed, we cannot borrow money.

That is the reason they say they want a patent to the minerals. I would not presume to tell them anything about what is under the surface of that land. They are business people. They are not going to mine it unless they think they can make money. They are not going to go to a bank and borrow money unless they think the ore under that surface is minable in commercially producible quantities.

But my point is this: If you want to mine on a tract less than 5 acres, you do not have to say boo to anybody. You just go out there and start digging. You do not have to clean it up or any-

thing. If you mine on an unpatented tract of land over 5 acres, you do have to get a deed. That is about all. That is what most people do.

The Senator is concerned about small business. I am, too. I am chairman of the Small Business Committee. I am concerned about all small business people. My point is this: I am not going to have to go out there and decide that. I know you are not going to mine it and borrow money on it unless you have core drilled and checked to see.

My point is simply this: How many times has the Senator told the Chamber of Commerce and the Rotary Club back home that he was going to treat their money and their land just like it was his own? You cannot say that. You cannot say that truthfully and come in here and say we are going to give away 100 million dollars' worth of hard rock minerals that belong to the taxpayers of this country.

I am not trying to put one single mining company out of business. God bless them. They provide jobs, and I want them to. But I must say I deeply resent the argument that somehow or other they can pay a royalty on private lands, they can pay a royalty to every single State in the West with the possible exception of Nevada, but for some reason or other if you require a royalty of them on this, a good portion of which, incidentally, I would put into abandoned mine sites and start cleaning some of those messes up—if you say you have to pay because it is on Federal land, they say, "Oh, my God, we are going broke." That is an absolute oxymoron. You cannot have it both ways.

Mr. STEVENS. Will the Senator yield? And then I will cease my interruptions. Mr. President, will the Senator yield for one more comment?

Mr. BUMPERS. I will be happy to yield.

Mr. STEVENS. Mr. President, when this Senator has the opportunity to have the floor, I want to address at length what the Senator from Arkansas is saying. It is my feeling that Congress is being asked to change the rules of the process that has led us to have a mining industry of significance in the world.

It is particularly true that the mining industry is flourishing in the Western part of the United States. People have pursued claims on some of these lands now for 20, 30, 40, I know of one 50 years, and now the Senator from Arkansas is saying, "Ah, but just as you come to the last single thing, the patenting process, we are going to change the rules because this land is Federal land, not private land."

Now, I intend to show that a vast portion of the public lands in the United States were made available through incentives passed by Congress for development, for occupation, and entered the private sector and now contribute to the revenue of the United States.

What this proposal of the Senator from Arkansas does, in my judgment, as I said, is to change the rules. It is to say to people who have relied on the mining law of 1872 for years—some of them have put almost their whole lives into developing a mining claim—now it is time to go to patent because, as the Senator said, it is necessary to have financing.

I know of one set of claims where that was true in particular and, because it was not possible to get financing, they were sold to Canada, where similar laws do not apply. They have the penny stock act over there. You can go out and finance mining claims in Canada very quickly.

It is significant to point out that the five major prospects for ore development in my State today are all owned by Canadians. Why? Because the philosophy of the Senator from Arkansas does not prevail in Canada. It is possible to pursue claims, it is possible to bring minerals into production, and it is possible even to go into the United States under Canadian law and pursue these claims.

But the Senator wants to change the rules for people who have been mining in the past. If you want to follow what my good friend from Nevada wants to do, and say let us look at what the Senator from Arkansas wants to do, and they can prospect, then let us let them out.

If you want to set policy now and say in the future anyone who wants to mine on public lands, these are new rules, make up your mind before you enter into this and devote your life to it.

The Senator says he is for the small miners. Most of the claims that have developed into significant mines in this country started with one man and one pick and one burro. They were the small miners. And that is still true in my State. I believe that we must keep in mind those people who are living out there who are mining. I wish the Senator would go with me to some of the small mines. I know what small mines are. I have an Eskimo friend out of Nome who has a small mine he works every year. He is still hoping he can bring that into full production and ultimately get his patent and some financing. But he has been doing that now as long as I have known him, which has to be 30-plus years.

Mr. President, this concept that the Senator from Arkansas is presenting to the Senate, once again, ought not to be voted on quickly. It is time for us to review the history of the United States in the West. I wish I had the memory of my good friend from West Virginia and could go through and recite every single development since 1872 and the States where the laws were allowed to work and now in the States such as Nevada, Arizona, Utah, Montana, Colorado, Alaska—the mining States that are left—the Senator from Arkansas wants to change the rules.

I will not make any further statement at this time. I will obtain the floor in my own right later. I will make one last comment. That is, the 5-acre rule does provide for reclamation and all other environmental laws apply to the mining of those small mining claims. The Senator knows that. And it is not possible in the future to have that kind of picture presented on new mining claims. We already have taken care of that and the mining industry has agreed to it.

This is an accident of the past. And there are accidents like that on military reservations. There are accidents like that on private lands in New York. There are accidents even, God forbid, in the great State of the current occupant of the chair, Virginia.

We know we have problems under the Superfund law. But it is not the fault of the public land laws. It is the fault of past practices in terms of proper practices from an environmental point of view. We have taken care of that in the mining law already. And the Senator ought not to leave the impression that kind of accident of history is going to occur in the future on small mining claims. We already have the 5-acre law that requires reclamation and all environmental laws apply.

I thank the Senator.

Mr. BUMPERS. I thank the Senator. Mr. President, I do want to correct one thing. On the under 5 acres, no plan, no reclamation, no nothing; simply a notice of entry is all you have to file.

Now, Mr. President, let me also say one of the reasons that this one attracted my attention is its presence in Leadville, CO. And where do you think it drains? Into the Arkansas River. So I have more than a passing interest in this particular environmental disaster.

Now, Mr. President, I want to comment on some of the things that the distinguished Senator from Alaska raised. He is always a very worthy adversary, feels strongly about this issue, and I understand that and respect his opinions. I can remember listening to those very same speeches on this floor for 8 years, 8 years, when I was trying to get the Bureau of Land Management to quit leasing Federal lands for oil and gas exploration for $1 an acre. It took me 8 years to get the Bureau of Land Management, to get a bill passed here to lease Federal lands for oil and gas drilling on a competitive basis. For 8 years I was told that every mom and pop independent operation in America was going to be driven out of business. The law went into effect in 1988. Not only does it produce more revenue for my State of Arkansas and the U.S. Treasury, it is working like a charm. Not one single claim of how the world was going to come to an end even came close to being true.

This is an issue, this issue on mine reform, I may not win this year. I did

not win last year. I did not win the year before. But issues like fighting with old Betty, those that I win just are not over.

We are going to revisit this and revisit it until we get some environmental reclamation laws on this, until the taxpayers are treated fairly, just as they were being treated shabbily in oil and gas leasing.

So I want to reemphasize that: If you want a mine on a 5-acre tract or less, you do not have to do anything except let them know you are mining. You do not have to file a reclamation plan.

Finally, I want to say that if I were a Canadian or if I were British, I would be in the United States mining, too. I promise you, the Canadians or the British—even the South Africans—would laugh you out of town if you came in and said:

"You have a 10,000-acre tract of land out here; I think I will go out and start mining that."

"Just a cotton-pickin' minute. Do I have any say-so over this?"

"Not really. I have already checked it out. There is a lot of gold in that land."

"That is my land."

"Well, you don't understand. It belongs to me now. I have a claim on it. I've checked it out. It has a lot of minerals underneath it."

"I cannot believe you are serious."

"Yes; I am serious."

What if you walk off and leave a big old open pit? That is your problem, too.

There is not a Member of the U.S. Senate that would even consider anything as ridiculous as that.

The Senator from Nevada comes in and says if you will just pay fair-market value for the service, that is going to make everything OK. I do not really care about that. I am not going to vote for it, and I hope an awful lot of other people will not, either. If I ever saw a nothing amendment, so far as addressing a critical problem, this is it, not to denigrate or be disrespectful to the Senator from Nevada. We all know what it is. It is a diversion from the real problem.

Mr. President, if you vote, you are going to vote on this moratorium first. And bear in mind that if you vote for my amendment, the House bill also has the moratorium in it. It will not be a conferenceable item. Then we will have next year, the rest of this year and all of next year, to address this problem in a sensible way—one that deals with all of it, not just a piece of it.

There is another interesting piece of information about this. When I used to practice law, if somebody wants to—like the Federal Government or the State—to condemn your property, they have that right. Or if somebody wants to stop you from doing something, and they go to court to get what is called an injunction, you go into court and you say: "Your Honor, the plaintiff is not entitled to this injunction, and it is going to cost me $10,000. If you rule a month from now that you should not have granted that injunction, I will have been damaged by $10,000."

Do you know what the judge does? He says: "I am going to require the plaintiff to put up a $10,000 bond to save you, and save you harmless from any damages you sustain if this court decides the injunction was wrongfully issued."

You would think that if somebody came in and said: "I want to mine this land out here, and I want to file this reclamation plan," and incidentally, the inspector general says BLM routinely does not enforce any kind of reclamation plan. But when you do file a plan, and you say: "Here is where I am going to reclaim it; I will do the best I can with it. I will try to make sure there is no undue disturbance," you would think you would put up a bond. That is your private land. You nailed out every "i" and every "t" to make sure your land was put back in the best condition. You negotiate for the highest royalty you can get. And you would make them put up a bond on the front end to be sure the reclamation took place; that is, unless you need a saliva test, that is what you would require.

Do you know what the BLM and the Forest Service require in the way of bonds? The Forest Service requires bonds in 82 percent of the cases. The Bureau of Land Management requires bonds in 22 percent of the cases.

Mr. President, there is another point that I want to make, that I made earlier, but I want to stress it because it is extremely important. If I filed a claim 50 years ago 100 yards from Old Faithful, and I have been working it and I finally decide that that tract of land 50 yards from Old Faithful has gold underneath it, I can start to mine that.

Do you know the only way the U.S. Government can keep me from mining within 50 yards of Old Faithful? Buy me out.

You heard me say earlier that the 1872 mining law makes hard-rock minerals the highest and best use of the land. You think about that. If you have a claim right next to the Yellowstone River, one of the truly pristine rivers that runs through Yellowstone National Park, and we do not want you to mine it because there will be all kinds of tailings going into the Yellowstone River, the Federal Government has to buy him out, buy him out for what he paid nothing for.

And the Oregon Dunes case—you all know that. I am not going to go through all of this litany of horror tales that the GAO put in their report, where people bought land and sold it for thousands.

If there is any merit at all to the amendment of the Senator from Nevada, it would keep somebody from paying $2.50 an acre for a valuable piece of property that is capable of being part of a ski slope. That is what happened in Colorado. They would have to pay fair-market value for the service. But 99 percent of this land is worth $100 an acre. It accomplishes nothing.

But what I was going to say is, in the case of Yellowstone River, you would have to buy me out, and I have paid nothing for it.

Let me tell you one other thing. I want to say this to the Senator from Alaska. Several years ago—I forget who it was—some Hollywood starlet said that quartz crystal would cure athlete's foot, corns, cancer; everything. And there was a rage which swept across the country. Everyone was going to the store and buying these crystals and putting their hands on it. Have you ever seen that done? If you put your hands on these quartz crystals, it would cure whatever is wrong with you.

Where do you think the biggest quartz deposit in the United States is? The Ouachita National Forest in my beloved Arkansas. So the first thing you know, bus loads of people are coming down to the Ouachita with spade in hand, and they are digging the place up. Do you know what I did? I got a bill passed in 2 weeks to take quartz crystal out from under this mining law.

We made some money. The State of Arkansas got some money out of it. We made them put up a little plant before they could go out there and dig. That is what we ought to be doing with the gold and silver, and all the rest. The Senator from Nevada made a point about all of these strategic minerals: 80 percent of the gold mined in this country goes into jewelry. It does not go into making weapons. A lot of it goes into teeth, and 80 percent of it goes for jewelry.

Mr. President, for all the reasons I have just cited, and a lot more, I hope this body will at least have the courage to put a moratorium on this until we can pass a bill. I am probably not going to—I do not want to categorically guarantee this, but I am probably not going to—introduce a royalty bill if the moratorium is adopted because that takes a lot of the pressure off the rest of the bill, namely reclamation, and a whole series of issues in the bill.

I think the American Mining Congress has a deep and abiding interest in a comprehensive solution. They do not enjoy those "20-20" shows anymore than anybody else does. I think there is a chance to do it. Time is not running out. It is just a question of when are you going to do it.

Every year that goes by, somewhere between 1½ and 4 billion dollars' worth of hard-rock minerals are coming off of what once was Federal land, or still is Federal land.

Let me repeat that: Every year—the estimates vary; the lowest is $1.2 bil-

lion and the highest $4 billion—billions of dollars' worth of hard-rock minerals are being taken off the Federal land belonging to the taxpayers, for which we do not get 1 cent and are quite often called on to clean up something like this that is going to be billions of dollars. And there is still 100 billion dollars' worth of hard-rock minerals on Federal mines that are going to be mined, and we will not get a nickel out of that, and continue to clean up sites like that.

I yield the floor.

Mr. REID addressed the Chair.

Mr. BYRD. Will the Senator yield to me?

Mr. REID. I would like to send up my amendment.

AMENDMENT NO. 2882 TO AMENDMENT NO. 2881

(Purpose: To make improvements in mining law)

Mr. REID. Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] for himself, Mr. DOMENICI, Mr. DECONCINI, and Mr. BRYAN, proposes an amendment numbered 2882 to amendment numbered 2881.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted insert the following:

( ) MINING PROVISIONS.—

(1) PAYMENT OF FAIR MARKET VALUE.—Any person receiving a patent pursuant to the Act commonly known as the Mining Law of 1872 (sections 2319 et seq. of the Revised Statutes) shall pay fair market value for the interest in the land owned by the United States exclusive of and without regard to the mineral deposits in the land.

(2) LIMITATIONS.—

(A) IN GENERAL.—Any land patented after the date of enactment of this Act pursuant to section 2325 of the Revised Statutes (30 U.S.C. 29), section 2333 of the Revised Statutes (30 U.S.C. 37), or section 2337 of the Revised Statutes (30 U.S.C. 42) shall be used only for mineral exploration, mineral development, mining, mineral processing, benefication, or uses reasonably incident to those uses, except with the approval of the Secretary.

(B) REVERSION.—Title to the land referred to in subparagraph (A) shall revert to the United States if the land is used for any unauthorized or unapproved use, and the unauthorized or unapproved use is not discounted within a time period specified by the Secretary (but not earlier than 90 days after the Secretary gives the owner of the land written notice to discontinue the unapproved use) and if the Secretary elects to enforce the reversionary interest. The reversion shall be made effective if the Secretary files a declaration of reversion in the office of the Bureau of Land Management designated by the Secretary of the Interior, and records the declaration in the county recorder's office of the county in which the lands subject to a reversion under this paragraph are situated. Not later than 30 days after recording the declaration of reversion, the Secretary shall serve on the owner of the reverted lands a recorded copy of the declaration, in the same manner that a summons and complaint are served under the Federal Rules of Civil Procedure under title 28, United States Code.

(C) RENOUNCING OF REVERSIONARY INTEREST.—If the Secretary finds that it would not be in the best interest of the United States to exercise the reversion for any reason, including any case in which—

(i) any portion of the lands included in the patent have been used for solid waste disposal or for any other purpose that may result in the disposal, placement, or release of a hazardous substance: or

(ii) continuance of the reverter serves no public purpose,

the Secretary may renounce the reversionary interest of the United States in the lands included in the patent by filing and recording a declaration of renouncement in the same offices in which a declaration of reverter would have been filed.

(D) REQUIREMENT FOR PATENTS.—Each patent to land acquired under section 2325 of the Revised Statutes (30 U.S.C. 29), section 2333 of the Revised Statutes (30 U.S.C. 37), or section 2337 of the Revised Statutes (30 U.S.C. 42) shall state that the patent is subject to the provisions of this subsection.

(3) RECLAMATION.—Any land patented after the date of enactment of this Act shall be subject to the mining reclamation law of the State in which the land is located. In the absence of applicable State mining reclamation law, the land shall be subject to Federal mining reclamation law. Each patent shall recite that as a condition of the patent, the land patented shall be reclaimed to comply with Federal law or to comply with the mining reclamation law of the State in which the land is located.

(4) DEFINITIONS.—As used in this subsection:

(A) HAZARDOUS SUBSTANCE.—The term "hazardous substance" has the same meaning provided the term under section 101(14) of the Comprehensive Response, Compensation and Liability Act (42 U.S.C. 9601 (14)).

(B) SECRETARY.—Unless specifically designated otherwise, the term "Secretary" means—

(i) The Secretary of the Interior with respect to patents issued for lands over which the Bureau of Land Management has jurisdiction; or

(ii) the Secretary of Agriculture with respect to patents issued for lands within national forests.

Mr. BUMPERS. Reserving the right to object, I would like to hear the amendment read.

The PRESIDING OFFICER. The clerk will read the amendment.

Mr. REID. If I could save the body some time, it is the amendment I offered earlier today.

Mr. BUMPERS. The same amendment?

Mr. REID. Exactly. I have deleted one phrase, but I talked to the Senator earlier about what it is.

Mr. STEVENS. Reserving the right to object, may I inquire, Mr. President, has the amendment been modified according to the request I made?

Mr. REID. It has not. I am confident we can do that at a subsequent time.

Mr. BUMPERS. Mr. President, parliamentary inquiry. I am looking at Senate procedure on amendments. I would like to make a parliamentary inquiry as to where his amendment is located at the moment. My amendment was a second-degree amendment to the first committee amendment. Where is the amendment of the Senator from Nevada?

The PRESIDING OFFICER. The amendment has been offered as a second-degree amendment, and it is in lieu of the matter inserted——

Mr. REID. I inserted, in lieu of that, my amendment.

The PRESIDING OFFICER. Who seeks recognition?

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield to the manager of the bill.

Mr. BYRD. Mr. President, I simply wish to inquire as to, in the Senator's opinion, how much longer does the Senator think we will be on these amendments?

Mr. REID. I reply to the chairman of the Appropriations Committee, as stated by my friend from Alaska, I do not think this debate is going to be very quick. We have here the Senator from Arizona, the Senator from Nevada, the Senator from Alabama, and the Senator from Alaska, who wish to speak in favor of the amendment. I think that will probably take—I am speculating—a couple of hours.

Mr. BYRD. If the Senator will yield further, Mr. President, we have already been on these amendments now for over 2 hours. We have heard two excellent speeches. I have tried to listen attentively, and I have been very interested in what each of the Senators have had to say. There are other Senators who want to speak, and they are certainly entitled to speak.

I wonder if the Senators would consider trying to develop a time agreement, which would allow those Senators to speak, but also allow us to reach a conclusion one way or the other on these amendments. It is my understanding that we will go off this bill at 12:30 today and go back to the transportation appropriations bill. At some point in time later today, then, the Senate will revert its attention to the pending Interior appropriations bill.

I hope that the Senators will give some thought to a possible time agreement. Otherwise, as I understand it, there are some other legislative issues that are going to be taken up on this bill, and while I can understand the great concerns that motivate Senators to attempt to offer their amendments under the bill, these are legislative matters, and they really ought to be worked out in the legislative committees and brought out as legislative bills.

I guess I am just kind of subliminally pleading to the Senators to see if we

can work out some kind of time agreement and let the Senate reach its will on these amendments, and let us go on to the next legislative issue and get around to the appropriations substance.

The PRESIDING OFFICER. The Senator from Nevada retains the floor.

Mr. REID. Mr. President, I respond to the chairman of the Appropriations Committee that I think we all recognize that the chairman wants to move. This is his bill as chairman of the committee. For this Senator, in my years in the Congress, both in the House and in the Senate, one of the examples that I have recognized has been the chairman of the Appropriations Committee. When the chairman feels strongly about an issue—and that is often—the chairman has set an example for me to make sure that something as that important to my State of Nevada, as to the State of West Virginia, is adequately covered. Taking into consideration the suggestion of my friend and exemplar, the chairman of the Appropriations Committee, during the break I will work with my friend from Arkansas to try to work something out, recognizing that people feel very strongly. There is one other person coming to the Chamber to speak in favor of my amendment.

Mr. BYRD. If the Senator will yield further, I have great admiration for my friend. I do not have a closer relationship in the Senate, I do not believe, than I do with the Senator. What he says, of course, appeals to me. He is standing up for his people, as I have stood up for mine. There is one major difference, however. The coal miners amendment which I offered was not offered to an appropriations bill. That was involving the Clean Air Act. I am simply trying to indicate to Senators that I hope we will move along at a little more rapid pace, and if those Senators can get together among themselves and see if they can offer some kind of a time agreement, I would be very pleased. I thank the Senator.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada retains the floor.

The Senator from Arizona.

Mr. DECONCINI. Mr. President, let me just comment on the appropriations chairman's remarks. I think the Senator from Nevada understands the necessity to move on, and I certainly do as well. I think the Senator from Arkansas has made his speech here. A few of us have a little bit of time. I will not take anywhere near the time of those Senators, but I think something can be arranged, and I will help in any way I can.

Mr. STEVENS. Will the Senator yield?

Mr. DECONCINI. Without losing my right to the floor.

Mr. STEVENS. I heard my good friend, the distinguished President pro tempore of the Senate. I want to notify the Senate that this amendment, this year, has a different context than the one last year. There are a number of Senators on this side that want to speak. I have been asked to object to any time agreement on this amendment, or Senator REID's amendment, and, unfortunately, I will do so. This amendment will severely cripple at least three States in the West. I think we intend to try to show that to the Senate. If my good friend from West Virginia wants to remove it entirely by correctly stating it is legislation on an appropriations bill, perhaps we should face it that way. But it is a moratorium on the issuing of patents that are entitled under the current law to be issued. As such it is just anathema once again to us. I have to state to the Senate, I know at least four Senators on this side who want to speak at length on this subject.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona retains the floor.

Mr. DECONCINI. Mr. President, I appreciate what the Senator says, but notwithstanding that, the Senator from Alaska knows as well as anybody that people change and find ways to attempt to find accommodation here. I think that is what the Senator from West Virginia is only asking for. I do not think it is at all inappropriate that we try to accommodate that.

I have an Appropriations Committee bill as well. I want debate on it. I have amendments, and everybody else will. We know we have to move this bill, and I know the Senator from Alaska is committed, as anybody, to want to move the bill. We will work with those Senators who do not want, at this moment, to set a time.

Mr. SHELBY. Mr. President, will the Senator yield for a question?

Mr. DECONCINI. I yield for a question without losing my right to the floor.

Mr. SHELBY. Mr. President, I mentioned earlier the Senator from Alabama would like to speak sometime on behalf of the amendment offered by the Senator from Nevada.

I have a lot of respect for the chairman of the Appropriations Committee. We do need to move the bill, but this is important. Coming from a State east of the Mississippi River, a State that is involved in the steel industry, we need minerals, and these minerals are mainly located out in the West. At the proper time if there is a time agreement and the distinguished Senator from Nevada is involved in it, I hope he will allot the Senator from Alabama additional time to speak.

Mr. DECONCINI. Mr. President, I yield to the Senator from Idaho with the understanding I do not lose my right to the floor.

The PRESIDING OFFICER (Mr. KOHL). The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I recognize the Senator has a right to the floor.

Let me only say I have to reflect on what the Senators from both Alaska and Nevada have indicated to the chairman of the full committee. It is so fundamentally important to public land States that derive a great deal of their economic vitality from mining that we clarify and have an opportunity to express those concerns. And I am certainly willing to sit down and work out a time agreement.

I acknowledge all of my colleagues have said time and time again in repeated fashion these issues, and they are important, and we have clearly delineated them. I think we can do that with a degree of consistency. We do not need to go on and on.

At the same time, the patent moratorium is a wholly new issue that we have not debated here on the floor, and although it is complicated for some to understand, I know the Senator from Arizona clearly understands the kind of impact that this has. It is not the issue of the $100 fee; it is not the issue of surface values. It is the issue of being able to carry forward existing rights and operate, based on one's finding and one's ability to develop a fee title. And so time is important, that we do recognize and deal with this issue properly.

I thank the Senator for yielding.

Mr. DECONCINI. I thank the Senator from Idaho. I am sure he will want to be here. I relate we need to find time. I am going to try to curtail my time here.

Mr. President, this is a crucial issue. The Senator from Arkansas has raised it many times, and now we are back again.

I would like to take a moment of the Senator's time—and I will try to be short—to relate to this body and public, whoever is watching it, what the importance of the mining economy is to my State of Arizona. Eleven major mining Western States account for 70 percent of the U.S. production of metallic materials. Arizona alone accounts for 61 percent of the amount of copper that is produced in the United States.

The mining industry contributes $5.67 billion to the Arizona economy. Mining people, or people on the side of Senator BUMPERS amendment say fine, then pay more money.

Mining has a particular impact in the economic areas of Arizona and I will explain why in just a moment. In some areas, like Greenlee County, it amounts to 70 percent of the personal income in that particular county.

Mr. President, I would like to refer my colleagues to several charts to demonstrate why this is so sensitive to

the West, why we are here pleading with the Senator not to take away one asset that we have. Let me tell you one asset that we do not have and that is fee simple land in our State.

Let me just point out the State of Arizona, represented in this chart by the green here, indicates that only 17 percent is privately owned land. That is all we have.

In Arkansas, the green represents privately owned land of 85 percent. And that is the way it is in most States, except some 11 Western States. So we do have a sensitive understanding of what land and patent rights are all about.

The Federal Government has 45 percent, and the Indians, which is in trust by the Federal Government in their behalf, have 5.4 percent, and the State has 13 percent.

So where do we look for our economic growth? We cannot look just to the private land and talk about royalties that we would do. Sure if all of this green were private land, then we would be talking about a real market system. We do not have a market system. We are under the benevolent hand, we like to think, of the Federal Government.

When Arizona became a State there was nobody living there, and the rest of this body that voted in the House to let them in said let us hold this land back, and nobody objected. I ask Senators, how would you like it if that land were held back in your State? You cannot do anything about it. That was the admission price to get in the Union. We accept that. And now we have to deal with the economic impact.

So what do we have? We cannot afford to have a moratorium on the land that we can get our economic benefit from. The Senator from Arkansas points out that there is no income coming from this land. This is not true. There is income from it. There is income from the fees that the Senator from Nevada has instituted in his pending amendment, of $100 a year.

The Senator from Arkansas just cannot have it both ways. In 1991 he said under the existing mining laws, debating this same subject, a patent fee simple title to a mining claim on Federal lands may be obtained for the purchase price of $2.50 an acre for a master claim, $5 an acre for a lode claim, a price that has not changed since 1872. A giveaway, pure and simple. He further says, "One does not need to have a real estate broker's license to know $5 acre is far less than fair market value of patented land."

The Senator from Nevada has instituted a fair market value for the lands.

When you say "fair market value," we are talking about the surface of the lands. That is what you talk about if you are talking about a shopping center that you want to build on a piece of land, or you want to build a hotel on a piece of land. You talk about the fair market value of the surface fashion of land. You do not make people drill down in there to see if anything is there. You say, oh, we are going to build the 20-story building here and there may be oil down there, we have to raise the surface value of that. Nobody does that. That is the fair marketplace, and the Senator from Arkansas knows that.

And here the Senator from Nevada has voluntarily changed the law. Why has he done that? He has done that because we have talked to the Senator from Arkansas many times and he has raised some legitimate issues and he is correct. There have been no major changes in the 1872 mining law. There have been some 11 changes, I believe, but they have not been major. Certainly they were not dealing with the fair market value of the land that is going to be patented. The Senator from Nevada has proposed that, and it is a legitimate proposal that ought not to be just disregarded as frivolous or of no consequence. It just is not fair to classify it in that manner.

What else does Arizona do with some of this Federal lands that we have here? Last year we passed through this body and the House, and it became law, a 2-million-acre wilderness bill. So we have not said, hey, we have to have all this land, we must keep this land for our use. We agreed, among the mining industry, the ranchers, the environmentalists, the cities and towns, what land would go into wilderness, and almost 2 million acres went into wilderness last year. We have not ignored the public need to have public land set aside for public purposes, and we have not ignored through the Reid amendment the fact that the Federal Government should receive something for their land.

The other point that the Senator from Arkansas has correctly pointed out in past debates, and there are some occasions where patented land has been used for nonmining purposes, and the Senator from Nevada has addressed that. And there is a reversion clause, so if Phelps-Dodge or Joe Smith gets a 5-acre patent or a 2,000-acre patent to the mine or leases and decides to do something with it other than mining, it reverts back to the Government. Correct. And I applaud the Senator for making that argument. I wish we had done this some time ago. It has never been the purpose of the mining law or the purpose of this Senator or the mining companies that I know of, in the State of Arizona at least, to go into the resort business. They do it if they can, and it happens there because it is legal.

We are changing that with this Reid amendment before us today. He has made a positive change in the filing fee of $100 a year. The inadequacy of the $100 has been argued and we agree that we should pay something. Moratorium is a little bit different than saying let us just alter this law and make it marketable.

A moratorium says you are out of business. That means goodbye. You cannot use that land anymore. You cannot go out there and find minerals.

The hard rock mining business, I submit, is much different than particularly the oil and gas business. It costs hundreds of millions of dollars more to bring on a mine, a copper mine, than it does an oil well. And it has to be incentive enough for people to make the investment.

In my State, Phelps-Dodge has invested hundreds of millions of dollars, Zarco has invested hundreds of millions of dollars, and other companies, and they are not guaranteed that they are going to make the money, because it is an open market. The market fluctuates. They are dealing with competition, with State-owned companies, with overseas companies in Chile and other places. So it just does not happen that you have a market here that you can afford to pay a royalty.

Now we are not talking about a royalty here. And there should be a debate at sometime on this floor; perhaps we should talk about a royalty. But that should be done in the committee, just like a moratorium. It should be done in the committee and not on an appropriation bill before us today.

I am pleased to report that the underlying amendment offered by Senator REID is addressing the problems with the exception of the royalty, in my opinion, that the Senator from Arkansas has brought to this body time and time again. And yet he throws this out as of no consequence, really not an important change. This is an important change. The Senator from Arkansas ought to take the credit for it because he is entitled to credit for those four major changes that are in this particular bill.

The point was raised here that some standards have to be applied, if, in fact, there are standards. Most States have some. Arizona does not have the standards, nor does New Mexico. And so the Senator from Arkansas kind of wants to make a point, that, oh, that being the case, then there is no law governing. That is a problem for the Federal Government to address. That is a problem for us to address.

I am not adverse to Federal standards, particularly in a State that will not adopt them, including the State of Arizona. If we do not have a standard for mining, for the environment, then I am prepared to have the Federal Government—reclamation, excuse me—then I am prepared to have the Federal Government step in. I believe the State of Arizona should have a reclamation law and I hope that they will.

Mr. President, to proceed with the moratorium here would indeed be a travesty to, I believe, this Nation.

The Senator from Alabama wants some time, and I will do everything I

can, and I thank him for raising that issue, to be sure that he gets some time. The Senator wants to talk about the need of hard rock minerals coming to develop this country. If these minerals are so taxed by royalty or otherwise that it is cheaper to go to Canada, to go to Chile, to Panama, or South Africa or anyplace else, where does that put the United States?

The United States is competitive; technologically it is competitive because we have all of this Federal land.

Now the issue has been made here by the Senator from Nevada, which I will not go into, as to the amount of acres that have been made available to Americans to farm land. When all that homestead land was made available, Arizona was not a State. We do have a little bit of homestead farm land out there. But in States like Arkansas, States east of the Mississippi, primarily, but some in the West, people took advantage of that, and rightfully so. That was the Government making land available.

We are making 3 million acres available so far for patents. And there are several hundred million, almost 300 million acres, that have been made available at no cost, and rightly so, no cost because they derive an economic benefit, they give people ownership.

We are saying is this wrong? I do not think it is wrong. I think it is in the best interest of the United States.

So I hope my colleagues here will vote in support of the Reid, Domenici, DeConcini, and everybody else's amendment. It is a proper approach. It is changing the law.

We are not reneging on what we told a number of Members who supported us last year against the Senator from Arkansas. And we did prevail. We did come forth with some constructive changes. We did not do everything the Senator from Arkansas wants. Nobody gets their way around here 100 percent.

So I urge my colleagues to support the amendment of the Senator from Nevada, and I yield the floor.

Several Senators address the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. President, let me associate myself with the remarks of the Senator from Arizona. I think he has stated the case most clearly as it relates to western public lands States and the importance of the ability to explore, to discover, and to move toward what we have historically known as a patenting process on metals, minerals, and other resources of public lands that is now being questioned by the amendment of the Senator from Arkansas, and in fact prohibited by that amendment.

If the reason for proposing a ban, a freeze, a moratorium, or a prohibition on patenting is to argue that to fail to do so is not to address issues of environmental concern, let me talk for just a moment then about the process itself, the patenting process that this Government of ours requires of that individual citizen who goes and discovers and lays claim to a resource on the public land and then attempts to work the process of saying that there is a marketable commodity there and, in so developing it, it is marketable and therefore seeks a patent.

It is not a process of great ease. Very few acres go to patent annually. Our Federal Government—because this Congress and past Congresses have suggested that there are environmental issues that we must be sensitive to—has developed a very clear and lengthy process and procedure and, in most instances, very expensive that that individual who has discovered must walk through to be able to acquire a patent.

The operator, the individual that I talk about, stakes a claim, posts a notice of location, and proceeds consistent with State and Federal law, of course, to move toward filling out the proper forms and registering that claim at a State land office. The operator files notice of location, consistent with the law, with the State BLM office and the process goes forward.

As that process goes forward, that operator must make a variety of findings that have to be acceptable to the BLM, the Bureau of Land Management, responsible for managing this patenting process, that is extremely complicated. Environmental analysis, at least to the minimum, an environmental analysis must go forward within 30 days, and may take up to 60 days, to determine how activity in that location might impact the environment. And when those determinations are made, a mining plan must be developed that would mitigate to every degree possible the impact that that activity would have on the environment.

The BLM conducts a cultural inventory, or the operator pays for a contract operator to come in, an archaeologist, to provide an inventory as it relates to the importance of any surface discovery. Archaeological discovery, cultural value, any property that might be on the National Register or sensitive to those kinds of concerns would be considered. The Threatened and Endangered Species Act, there has to be an evaluation there under section 7 of that act. The BLM must develop reclamation plans consistent with the operator. And the process goes on and on and on.

That is why every year very, very few acres are patented because, first of all, the discoverer, the operator, must know that he or she has a truly marketable commodity. They are going to expend thousands of dollars and they do not do it lightly. They do not do it because their is an ulterior motive involved. They do it because they believe they can develop the resource to the extent the product, the commodity, its ore, the refinement coming from it, is marketable and they can make a profit.

All kinds of alternatives are looked at. As I mentioned, an environmental impact statement might be required, depending on the extent and the extensiveness, as it would be determined in the mining plan. Air quality, water quality, solid waste, fisheries, wildlife, plant habitat, protection of survey monuments, cultural and, I said, archaeological concerns are all part of this process. It is not a land grab. It has never been that. And it is less so today because of the expense of making these conforming efforts to meet the BLM, the Federal Government's requirements of patent, before this land is in fee title, handed over to that operator for the purpose of he or she developing an ongoing mining operation.

My colleague from Arizona mentioned the uniqueness of some of our Western States. My State of Idaho is 64 percent owned by the citizens of this country. The State of Idaho, not only recognizing the importance of mining as a part of its overall economy, but certainly recognizing the importance of our environment, was a leader, a national leader, in the development of State mining law concerned with water quality, wildlife habitat, reclamation, has received national environmental awards for its law, and it has become the pattern for other States to look to. As a result of that, we retain a viable mining industry. But in our State, to patent and to operate, you also have to comply with State law, and that is true in a variety of other Western States.

Those are the arguments. That is ultimately the bottom line.

In the State of Idaho, there are directly 2,900 people employed. Does that sound like a large number in a State of 5 or 10 million people? In a State of a million people, that is a significant number of direct employees.

The President certainly understands the economics of the multiplier as it relates to how it impacts those rural communities that are oftentimes the jumping-off point for a mining operation in Western States.

The salaries average $28,000 a year. They are not minimum wage salaries. In a State like Idaho, that is an excellent salary. That is $55 million a year in indirect revenues, and in gross mining receipts, over $344 million a year. Mining is a significant part of the Idaho economy, and it happens almost solely on public lands.

All of those mining operations must conform with the very process that I have just laid out, the very process that our colleague for Arkansas would say stop, we do no more of.

So, therefore, I have to question the motive. Is the motive to improve the operation of mining on public lands to clarify it, to make it more environ-

mentally sound, or is it to stop it altogether?

For the sake of this country, for our economic vitality, for the well-being of the jobs in Eastern States, foundry States, manufacturing States that use the metals and minerals that come from the resource process that I just talked about, it is just as important to the working men and women of those States as it is to the State of Idaho. We have always been the producer of the new product in my State. That raw product in refined form is then shipped for further refinement across the country and around the world. That has been our history and it will remain that for some time. But our citizens a long time ago said that this Nation should use in a wise and fair way the resources of its public lands and that in that use we would want to balance them between extractive processes, like mining, or renewable takes, like logging, or just to set aside for the value of the resource from an environmental point of view, and we have done all of that.

Mining today occupies but a small window of land in the whole of the continental United States.

Mr. President, a couple of years ago, I was debating this issue in the House and a well-known consumer advocate, a national consumer advocate, came forward and said, do you realize that there has been land patented equal to the whole of the State of Rhode Island?

I said, yes, I recognize that. And in that whole of the State of Rhode Island, that is less than the size of one county in my State of Idaho.

Or, Mr. President, if you wish to put it in a different perspective, it is equal to the land size of Dulles Airport as it relates to the whole size of the State of Virginia.

We are not talking about a dramatic taking. We are talking about a very limited amount, and I am talking about all of the land patented since 1872 and since the mining law was in existence. We would be led to believe otherwise.

Great and dramatic statements are suggested on this floor as to the magnitude of the environmental impact of this law and its application. Is the land surface of Dulles Airport a significant environmental impact to the whole of the State of Virginia? I suggest it is not, and I also suggest that the some few thousands of acres a year that are patented are not great and dramatic environmental impacts to its surrounding area, not because they are there, but because of this very lengthy process and procedure and refinement that our Government now requires of that operator.

To comply with all of the environmental laws, to develop a reclamation plan and when they are finished taking of the resource and sending it out across this country to energize this economy and create jobs, when all of that is done and that resource is depleted, they must, by mining plans today under the patented requirement, reclaim the land, reshape it oftentimes into its old configuration, plant back the trees, the sagebrush, the flora, the fauna that once covered that land.

I suggest a generation from now that it would be very difficult in some instances to find where that extractive process has gone on. That is what is important and at issue here. That is really the fundamental basis of this debate. It is to block that process in the wise and proper use of that resource.

I support my colleague from Nevada and his efforts to make some revisions in the 1872 law that we think are responsible ones. I would design it in a slightly different way, but I can accept those. I can accept a need to reform to some degree, but I cannot accept a prohibition of the process, a denial of the right of Western States and public land States and the citizens of this country to effectively, responsibly, and environmentally soundly use their resources for the purposes of the well-being of this country. To do anything other than that is shortsighted at best.

Those are the issues and I wish and hope my colleagues will join with me in finalizing this issue, clarifying it, debating it as it is important to do, and, more important, recognizing that we must defeat the Bumpers amendment as it relates to a prohibition on patenting.

I yield back the remainder of my time.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1993

The PRESIDING OFFICER. Under the previous order, the pending business is laid aside.

The Senate will return to consideration of H.R. 5518, which the clerk will now report.

The bill clerk read as follows:

A bill (H.R. 5518) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1993, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Graham/Bond amendment No. 2841, to ensure the fair treatment of airline employees in connection with route transfers.

Mr. STEVENS. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Under the previous order, there will now be 25 minutes for debate on the Graham-Bond amendment, the time equally divided and controlled in the usual form.

Mr. STEVENS. Parliamentary inquiry.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska.

Mr. STEVENS. It is my understanding that following the votes, under the time agreement on the transportation bill, the Senate will resume consideration of the Interior appropriations bill; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUTENBERG. Mr. President, we are now in a position to move ahead with an amendment proposed by the Senator from Florida, to be followed by an amendment by the Senator from Missouri. Since the debate is not ready to begin, apparently, I would suggest the absence of a quorum, with the time to be charged equally to the two proposals that we are facing.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2841

Mr. GRAHAM. Mr. President, yesterday I sent an amendment to the desk which is now, under the unanimous-consent agreement, the subject before the Senate. The amendment relates to the conditions which will apply to airline employees in the event of a transfer of an international air route.

Let me give a human face to this issue. Last December, I was working with the United Way of Miami, and one of my assignments was to go to the dislocated workers center which is based in a former Pan American administrative building. A building that had been a center for the management of an active international airline has now become the place in which workers who lost their jobs are being directed to various services that can try to get them retrained and reintegrated into the economy and help with the very serious personal economic and social problems that are a consequence of a long-time dedicated employee having lost his or her job.

During the course of that visit, Mr. President, I talked to a man who appeared to be in about his midfifties. He had been a long-time employee of Pan American and of National Airlines, which was a predecessor and had merged into Pan American a number of years ago.

He told me the history. He had risen over the years in the maintenance area of Pan American to have achieved a significant supervisory role at one of the foreign posts of Pan American, where they maintained aircraft outside the United States. He told me that when the Pan American routes were sold, that there was an understanding—at least an expectation based on representations that had been made—that all of the employees who were servic-

ing these aircraft for Pan American would be continued when the new airline took over that route.

In fact, that is not what occurred. What occurred, as he told it to me, was that every person who worked at that maintenance center who was a national citizen of that country was retained. Every American, including himself, who had been assigned to work at that center was terminated. He, having been terminated, had returned to the United States to then see the very airline itself liquidated, and he was at the dislocated worker center seeking assistance. That is the human face behind this amendment.

There have been some representations as to what this amendment is about that I would like to challenge. One is that this amendment is inconsistent with the spirit of deregulation; that this is the American's problem, to deal with the fact that he lost his job; that lots of other people have lost their jobs as a result of airline deregulation, and that is just his tough luck.

This is not a deregulated industry. The international air routes are highly regulated. They are the subject of bilateral negotiations between the United States and the other countries to which the airline will fly.

The very reason that this amendment is being offered is to set some of the standards that our U.S. Department of Transportation will look to in making a judgment as to the appropriateness of an international route transfer. Do not confuse the issues raised in this proposal with the question of what should be the role of Government with a deregulated industry. International aviation is not a deregulated industry.

The second argument is this is some kind of radical worker protection provision, that we are intruding into what should be the free market or what should be resolved by collective bargaining.

I would like to respond to that in two ways. One, our own domestic law; and second, what is the pattern of the rest of the world?

In the Federal Aviation Act, section 102, it sets out what should be the principles to be followed in determining what the public interest is in the case of the exercise of powers of international aviation.

In subparagraph 3 of the seven subparagraphs that define what the public interest will be, it states:

> The need to encourage fair wages and equitable working conditions for air carriers.

So, in our own law, we have recognized that the treatment of employees is part of the public interest that should be taken into account in determining whether a route should be transferred.

But beyond that, Mr. President, is what is the pattern of the rest of the world? The pattern of the rest of the world is they do protect their employees. Why was it, in this example of the gentleman who talked to me last December, that all of the nationals, all of the citizens of the country in which the base was located, kept their jobs, and only the Americans were terminated?

The reason was because it probably was in a country that required that all of their citizens be protected in the case of an international route transfer. For instance, it might have been in France, which states under its law that all employment contracts remain in effect as before the transfer of the business. That is the law of France.

It might have been in Germany, which states that employees may not be terminated on account of a transfer of business, and can be dismissed only on grounds of economic conditions or reforms or methods of production.

Those examples from France and Germany are typical of the kinds of protections that are available in most of the other nations with which the United States has bilateral international commercial aviation agreements.

The fact that the United States has not been applying such a standard has therefore resulted in a savaging of Americans in the course of international route transfers. They have suffered a disproportionate—a horrendously disproportionate—number of the job losses because other nations have been looking out for their citizens. We have been essentially abandoning ours.

That is the issue. The issue is American jobs. The issue is, will America have a policy that says we are going to provide the same parity of protection for our citizens in the event of an international route transfer as is already applied in virtually every other nation with which we have international aviation agreements? I believe clearly that is in the American interest, and that this amendment should be adopted in order to place that in the American law.

I have been working very closely with my good friend and colleague from Missouri, Senator DANFORTH, who is, as we discuss this matter, facing some of the ramifications in his State, as mine, the home of major airlines. In his case, it is TWA, which is in the very prospect of major realignment.

I very much commiserate with the concern that he expresses on behalf of the thousands of citizens of his State who are affected by this.

I want to commend the Senator from Missouri for his efforts to develop a proposal that will achieve the objectives of fair treatment of American aviation employees in the event of an international route transfer, which I seek; and also achieve the objective which he seeks, which is to create the maximum probability of the maintenance of the airline and the jobs of the citizens of his State in America, who might be affected by future realignments of TWA.

So at this point, Mr. President, I yield the floor in expectation that the Senator from Missouri will be offering a second-degree amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Missouri [Mr. DANFORTH].

Mr. DANFORTH. Mr. President, parliamentary inquiry. Under the time agreement, is it appropriate now to send an amendment to the desk?

The PRESIDING OFFICER. Senator LAUTENBERG controls the time. Until his time is disposed of, a second-degree amendment is not in order.

Mr. DANFORTH. Mr. President, I ask unanimous consent that it be in order to submit a second-degree amendment at this time, and further that the time that was allocated to the Graham amendment and to the second-degree amendment be melded together.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2883 TO AMENDMENT NO. 2841

(Purpose: To make a substitute amendment to the Graham amendment to ensure fair treatment of airline employees in connection with route transfers)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Missouri [Mr. DANFORTH] proposes an amendment numbered 2883 to amendment No. 2841.

Mr. DANFORTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . EMPLOYEE CONSIDERATIONS IN AIRLINE ROUTE TRANSFERS.

(*a*) IN GENERAL.—Section 401(h) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371(h)) is amended by adding at the end the following new paragraph:

"(4) Employee Considerations.—

"(A) Consideration of employment Opportunities.—In reviewing a proposed transfer of a foreign air transportation route certificate, the Secretary of Transportation shall give consideration to assuring employment opportunities for employees of the air carrier transferring the certificate. Those opportunities shall not discriminate on the basis of race, color, religion, national origin, sex, age, or disability. Consideration shall also be given to provisions for seniority integration as provided for in the seniority integration protections specified in Tiger International Seaboard Acquisition Case, CAB Docket 33712.

"(B) Employment Plan.—Upon application for approval of such a certificate transfer, the acquiring carrier shall submit its plan for employment that projects the number of employees of the transferring carrier who will be hired by the acquiring carrier, the

crafts and national origin of those employees, and a timetable for implementation of that employment plan.

"(C) Mandatory Findings.—The Secretary may approve the transfer of a foreign air transportation route certificate only if the Secretary makes specific findings that—

"(i) the employment plan submitted under subparagraph (B) does not discriminate on the basis of race, color, religion, national origin, sex, age, or disability;

"(ii) reasonable attempts have been made by the acquiring carrier to provide employment opportunities for employees of the transferring carrier; and

"(iii) the employment plan would not adversely affect the viability of the transaction.

"(D) Evaluation.—Within 1 year after the approval by the Secretary of a transfer of a foreign air transportation route certificate, the Secretary shall conduct an evaluation of the implementation of the employment plan submitted under subparagraph (B).".

(b) DUTY TO HIRE PROTECTED EMPLOYEES.—Section 43(d)(1) of the Airline Deregulation Act of 1978 is amended by striking "10" and inserting in lieu thereof "17".

(c) Effective Date.—The amendments made by subsection (a) shall apply with respect to any application filed after the date of enactment. With respect to any application filed after July 26, 1991, but before the date of enactment, the acquiring carrier must submit the employment plan specified in paragraph (B) and that the provisions in paragraph (D) apply.

Mr. DANFORTH. Mr. President, I had yesterday a meeting with my colleague from Florida, Senator GRAHAM, on this matter, to discuss the items of mutual consideration that we have. We both are very concerned about the plight of the U.S. airline industry and the plight of people who are employed by the U.S. airlines industry.

Over the past 2 years, some 50,000 airline employees have lost their jobs. Even now, in my home community of St. Louis, and in my home State of Missouri, there are 13,000 employees of TWA. Those 13,000 employees of TWA have been hanging on for dear life over a period of years, wondering about their own future—what would happen to them, what would happen to their airline and to their jobs—under various circumstances that have been considered from time to time.

We believe that there is some movement going on now with respect to the future of TWA. Employees and creditors have been in publicized negotiations with Mr. Icahn, who is the principal at TWA.

At the same time, in connection with the proposed financial arrangement between British Airways and USAir, there has been a great deal of discussion recently about the possibility of USAir acquiring substantial portions of the assets of TWA.

I have had discussions with people from USAir, and I am satisfied that if such an acquisition of assets occurs, a very substantial portion of the TWA employees would end up as employees of USAir.

Mr. President, what we need to do, as Senator GRAHAM and I have agreed, is to try to provide maximum protection for the employees and, at the same time, provided a degree of flexibility so as not to deter in any way what would be, in my view at least, a healthy arrangement involving USAir and TWA. That was the basis on which we held our discussions yesterday, and staff discussions were held last night and this morning, and those discussions culminated in the substitute which I have just sent to the desk.

The essence of this substitute provides that when applications for route transfers are submitted to the Secretary of Transportation, the Secretary of Transportation may approve the transfer of a foreign air transportation route certificate only if the Secretary makes three specific findings. Those three specific findings are: First, that the employment plan that must be submitted by the acquiring carrier does not discriminate on the basis of race, color, religion, national origin, sex, age, or disability.

The reason for this particular requirement is the reason stated by the Senator from Florida. It has been the experience of American employees of airlines, where routes have been transferred, that the American employees have lost their jobs, and the employees in other countries have kept their jobs. So we have a nondiscrimination provision in this requirement.

The second provision, the second mandatory finding for the Secretary of Transportation, is that reasonable attempts have been made by the acquiring carrier to provide employment opportunities for employees of the transferring carrier; reasonable attempts made by the acquiring carrier to provide employment opportunities for the employees of the transferring carrier. This is designed to provide stability and to provide a degree of assurance that the Secretary of Transportation is looking out for the interests of the employees of the transferring carrier.

Finally, a finding that the employment plan would not adversely affect the viability of the transaction. The reason for this provision is to provide the degree of flexibility which we think is necessary in order to maximize the possibility of creating a viable successor to TWA, especially if USAir continues to show an interest in reaching some sort of an agreement with respect to TWA.

So that is the essence, Mr. President, of the substitute amendment that has been sent to the desk.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum and ask that the time be equally divided between the parties.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERREY). Without objection, it is so ordered.

The Senator from New Jersey has 6½ minutes.

Mr. LAUTENBERG. I thank the Chair.

Mr. President, I note that the various proponents of an agreement, the two proponents, the Senators from Missouri and Florida, are close to effecting a compromise that would put this matter to rest very quickly. I am hopeful that that is the case because, frankly, I hope that we can give the kind of protection that is necessary when you have a merger of two airlines, that those who have labored long and hard for the airline being merged are entitled, it is my belief, to retain their jobs and retain an opportunity to continue to make a living and hope for progress in the future

So I am encouraged by the good will and by the thought that has entered into these discussions. I hope that we will soon have a resolution.

I remind those who are within earshot that at 1:15 p.m. we are, by unanimous consent agreement yesterday, to go on to another bill.

In the interim I yield to my colleague from New York, Senator D'AMATO.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I ask unanimous consent that I be added as a cosponsor to the amendment of my colleague and friend, Senator GRAHAM.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I have been supportive of this concept. I am deeply appreciative of the efforts of Senator GRAHAM and Senator DANFORTH to work out a compromise that will attempt to safeguard American aviation jobs where they can and should be. We should assure that American jobs are not simply transferred over to a foreign labor requirement. And that indeed is what is taking place in many cases.

I am hopeful that this can become the law of the land so that we can provide the kind of opportunity and, yes, the kind of protection against excesses where a labor force is unfairly discriminated against, and in this case our American labor force because they are Americans. That does not make sense. That is wrong. That penalizes this Nation and its people.

Mr. President, I am pleased to add my comments to those of my friends, Senator BOB GRAHAM and Senator DANFORTH. I introduced a similar measure with Senator GRAHAM on July 26, 1991, (S. 1565).

This amendment directs the Department of Transportation to assure that

the jobs needed to operate airline routes become part of the package when route transfer applications are approved. It would safeguard the jobs of experienced employees, it would not add unreasonable costs, it's fair and it makes sense.

In New York State, the demise of Pan American Airlines in December 1991 threw thousands of people out of work. Nearly 4,700 have filed for unemployment in the State. Without this legislation, thousands of experienced aviation employees at air carriers with shaky finances will be at risk to join the unemployment rolls throughout our Nation.

Airlines are not being sold intact, but instead their route systems are being sold piecemeal to the highest bidder. Such dismantling allows other airlines to cherry pick the best components of an airline while totally ignoring the most valuable asset—the employees. Generally, when companies merge or are acquired by other companies, employees are brought into the fold of the purchasing company. In the airline business this provides a skilled work force that can smoothly continue fleet services. Route transfers should be handled in a similar manner.

Airline routes are a public asset to be operated in the public interest. The Department of Transportation must approve route transfers from one owner to another, and may attach conditions to safeguard the public interest. DOT must bring labor, management, and government together to plan the best possible route transfer decisions. Other countries safeguard their aviation jobs, and we should assure that American jobs are not lost to accommodate foreign labor requirements.

The proud history of commercial aviation in this country has drawn strength from the special commitment and zeal of its employees. It is time to treat them in a fair and equitable manner.

Again I am hopeful that we will be able to have this amendment and the resulting compromise enacted into law.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I would just note that in my statement I talked about another bill. It is another amendment, not another bill. We are on the Transportation bill and intend to stay there until we complete it at 2:15. So we are again hopeful that, within a very few minutes, we will have the resolution of the amendment presently under discussion.

Until then, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2883, AS MODIFIED

Mr. DANFORTH. Mr. President, I send a modification to the desk of my second-degree amendment.

The PRESIDING OFFICER. If there is no objection, the amendment is so modified.

The amendment (No. 2883), as modified, reads as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . EMPLOYEE CONSIDERATIONS IN AIRLINE ROUTE TRANSFERS.

(a) IN GENERAL.—Section 401(h) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371(h)) is amended by adding at the end the following new paragraph:

"(4) EMPLOYEE CONSIDERATIONS.—

"(A) CONSIDERATION OF EMPLOYMENT OPPORTUNITIES.—In reviewing a proposed transfer of a foreign air transportation route certificate, the Secretary of Transportation in order to encourage fair wages and equitable working conditions for air carriers, shall give priority consideration to assuring employment opportunities for employees of the air carrier transferring the certificate. Those opportunities shall not discriminate on the basis of race, color, religion, national origin, sex, age, or disability. Consideration shall also be given to provisions for seniority integration, as provided for in the seniority integration protections specified in Tiger International Seaboard Acquisition Case, CAB Docket 33712.

"(B) EMPLOYMENT PLAN.—Upon application for approval of such a certificate transfer, the acquiring carrier shall submit its plan for employment that projects the number of employees of the transferring carrier who will be hired by the acquiring carrier, the crafts and national origin of those employees, and a timetable for implementation of that employment plan.

"(C) MANDATORY FINDINGS.—The Secretary may approve the transfer of a foreign air transportation route certificate only if the Secretary makes specific findings that—

"(i) the employment plan submitted under subparagraph (B) does not discriminate on the basis of race, color, religion, national origin, sex, age, or disability;

"(ii) reasonable attempts have been made by the acquiring carrier to provide employment opportunities for employees of the transferring carrier; and

"(iii) the employment plan would not adversely affect the viability of the transaction.

"(D) EVALUATION.—Within 1 year after the approval by the Secretary of a transfer of a foreign air transportation route certificate, the Secretary shall conduct an evaluation of the implementation of the employment plan submitted under subparagraph (B).".

(b) DUTY TO HIRE PROTECTED EMPLOYEES.—Section 43(d)(1) of the Airline Deregulation Act of 1978 is amended by striking "10" and inserting in lieu thereof "17".

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to any application filed after the date of enactment with resect to any application filed after July 26, 1991, but before the date of enactment, the acquiring carrier must submit the employment plan specified in paragraph (B) and that the provisions in paragraph (D) apply.

Mr. DANFORTH. Mr. President, I think we are prepared for action on the second-degree amendment which, if agreed to, would then leave us with the first-degree amendment, as amended, for consideration at 2:15.

The PRESIDING OFFICER. Is there objection to voting on the second-degree amendment?

Mr. GRAHAM. Mr. President, I strongly support the second-degree amendment. I thank and commend the Senator from Missouri, as well as his colleague Senator BOND, who was an original cosponsor of the amendment, for their efforts in shaping this in a manner that will be constructive for all parties.

Parliamentary inquiry, Mr. President. I think there had been a rollcall vote ordered on the second-degree amendment. Is that correct?

The PRESIDING OFFICER. No rollcall vote has been ordered.

Mr. GRAHAM. So at this point, we could adopt by voice vote the second-degree amendment and leave the adoption of the amendment, as amended, in until the appointed hour of 2:15.

The PRESIDING OFFICER. It has been granted to do that.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I just want to express my sincere thanks to the Senator from Florida, who took the lead on a very, very important provision that is of vital concern to many people in my State and across the Nation. This is an area in which a great deal of uncertainty and unrest has arisen.

I express appreciation also to my senior colleague for his expertise in this area. I believe he has led us to fashion a compromise which will achieve the goals which we sought when Senator GRAHAM and I proposed this particular amendment, and does so without having the possible harmful side effects.

I express my sincere thanks to those Members, plus the manager and ranking member of the bill.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I commend the Senator from Florida [Mr. GRAHAM] and the Senator from Missouri [Mr. DANFORTH] for working out a compromise that meets the concerns originally expressed by Senator GRAHAM.

Though we have had an indication from the administration that they have concerns about this—I think probably concerns is a little mild, but I do not know whether or not they would take the ultimate action of vetoing it as we earlier threatened, not today, but yesterday. I hope they would not. This is a compromise worked out by a very thoughtful, arduous process.

We are prepared to accept the amendment proposed by the Senator from Missouri, and we will await the hour of 2:15 to see whether or not we have a rollcall vote.

The PRESIDING OFFICER. The time on the amendment has expired.

The question is on agreeing to the amendment.

The amendment (No. 2883), as modified, was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, will the Chair state, for the benefit of all, the status of the debate at this point?

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri [Mr. BOND] was to be recognized to offer an amendment.

Mr. LAUTENBERG. And the time set aside for the discussion of that amendment is 1 hour, as I understand it.

The PRESIDING OFFICER. The time between now and 2:15 will be equally divided.

Mr. LAUTENBERG. I see the Senator from Missouri is here. The time is divided such so that the Senator from Missouri has a half-hour and the Senator from New Jersey has a half-hour; is that correct?

The PRESIDING OFFICER. The Senator is correct.

The PRESIDING OFFICER. Under the previous order the Senator from Missouri is recognized to offer an amendment.

Mr. GRAHAM. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. As I understand it, the amendment that the Senator from Missouri will offer is an amendment to the committee amendment. Has the committee amendment been offered? Is the committee amendment available to be amended?

The PRESIDING OFFICER. The committee amendment is pending to the bill.

Mr. GRAHAM. It is the pending business?

The PRESIDING OFFICER. Yes.

The Senator from Missouri is recognized.

AMENDMENT NO. 2884

(Purpose: To remove the minimum allocation program from Federal-aid highways limitation on obligations)

Mr. BOND. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Mr. NICKLES, Mr. GRAHAM, Mr. WARNER, Mr. LEVIN, Mr. MCCAIN, Mr. HEFLIN, Mr. COATS, Mr. KASTEN, and Mr. BOREN, proposes an amendment numbered 2884.

Mr. BOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 19, line 17, strike "$18,006,250,000" and insert "$16,899,250,000".

On page 57, strike line 21 through line 25.

On page 58, strike line 1 through "distribute" on line 4.

On page 60, line 20, after "Code;" insert "obligations under section 157 of title 23, United States Code;".

Mr. BOND. Mr. President, in order to avoid any confusion, I now ask unanimous consent that it be in order to offer this amendment and that it not be subject to division.

The PRESIDING OFFICER. Is there objection?

Mr. D'AMATO. Reserving the right to object, and I do not object, but I am not certain, because I have not seen the amendment, whether or not I can be in a position to agree to that in terms of the division.

So I ask my colleague and friend if he would at least give us an opportunity to review what the implications of that might be and then we can move on.

While I do not, in general, raise objections to requests coming from fellow Members and in particular my colleague, I have to say in this case I have to understand what the implications in this case may be.

Might I suggest we start the amendment and my colleague can renew his request after we had opportunity to consult with the majority and others?

The PRESIDING OFFICER. The amendment is pending.

Mr. LAUTENBERG. Mr. President, if it helps alleviate the confusion, I have had the advantage of seeing the amendment. It is my understanding from the Parliamentarian that in order for the amendment to move ahead that we have to give it consent. I urge my colleague from New York to take a quick look as the amendment is being discussed so that we can give our approval very shortly.

Mr. D'AMATO. Let me raise this point again. I am not certain, could the Senator restate the request? The thing that concerns me is that as it relates to not being subject to division; is that correct?

The PRESIDING OFFICER. That is the unanimous-consent request.

The Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleague from New Jersey for pointing it out.

This is a difficult procedural situation which we are in. To assure we do not run afoul of procedure, I have asked unanimous consent that it be in order to consider.

Second, the reason that I ask for a division is that it is a very simple amendment, only six lines long, each one of them dealing with a different part of the bill. The reason I ask that it not be subject to division, if you divided it, then the scheme would fall apart. It was a suggestion for procedural purposes that I asked that unanimous-consent request.

Mr. D'AMATO. I have no objection with the Senator explaining what his request was as relating to the withholding of the division. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank the chairman and the ranking member.

The amendment I have sent to the desk is on behalf of myself, Senator GRAHAM, Senator NICKLES, Senator WARNER, Senator LEVIN, Senator KASTEN, Senator HEFLIN, and Senator BOREN.

Our amendment, Mr. President, would simply return the minimum allocation under the highway program to current law. For the first time since the program's creation, the committee bill places it under the so-called obligation ceiling, thereby restricting the funding available to the minimum obligation States.

The amendment would offset the additional spending needed to fund the MA program by reducing the obligation ceiling by about $1 billion. But I want to emphasize again this amendment would restore current law for the program. It is the committee bill which has changed the provisions that were agreed to in ISTEA in the authorization for highway funding.

My colleagues know what a long and difficult time we had coming to an equitable agreement among the States. I want to maintain that agreement from last year. We think that fairness and equity and principle are utmost in maintaining the deal that was arrived at last year.

In the language of Federal highway programs, our States are known as minimum allocation States. That means our annual highway trust fund share is much less than those donor States contribute to the trust fund every year. The rest of the States receive close to or even more than the amount they contribute to the trust fund annually.

The minimum allocation program was created in 1982 to correct a longstanding inequity in highway program funding. Our distinguished colleague from Texas, Senator BENTSEN, amended the Federal highway program to require our States receive the minimum allocation of 85 percent of what is contributed in gasoline taxes to the trust fund. These funds are to be distributed to shortchanged States after the formula based funds for the regular programs were distributed. To ensure that those funds are received by minimum allocation States, they are not subjected to the obligation ceiling, a spending limit applied to the formula programs.

Again, the purpose of the program is to help make up for what was not re-

ceived under the outdated formula based programs. The imposition of a spending limit would defeat the purpose and, thus, was always exempt from it.

In addition, it would constrain the ability of States receiving minimum allocations in this year should they be unable to spend funds already allocated to those States and already accounted for in the budget procedures from spending them if their projects are not ready to go in ensuing years.

This was a hardfought battle last year. We realized that when we came to an agreement, it would be a compromise that perhaps could not make everybody happy. It was one which we could all agree that the program funds would be distributed outside the obligation ceiling.

We discussed on the floor at that time and we were assured that all members of the authorizing committee would stand by that agreement. I believe that this amendment merely restores that agreement and, frankly, we do not know what the full funding impact would be because we have not received a definitive answer from the Federal Highway Administration.

Yes, some States would lose; yes, some States will gain. But the important point is that we made a deal last year and we want to return to the provisions of that deal.

I urge our colleagues to support this amendment.

I reserve the remainder of my time.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, we are now fully immersed in a discussion about what happens under the committee bill and what happens under the proposal by the Senator from Missouri.

I would like to take a few minutes to explain what the committee has done in this bill with regard to the section 157 program, which is the minimum allocation program.

But first I think it is important that we look at the funding constraints that the Transportation Appropriations Subcommittee was operating under. Because of the budgetary firewalls, which I and many others tried to break down, we simply could not fund all of the programs under our jurisdiction at their fully authorized levels.

That cannot be a surprise to anybody here. It should not be news to any Senator that the Appropriations Committee is rarely in the position to fund the fully authorized level for any program. The section 157 program is no exception. This was true of FAA operations. It was the case for transit capital and Amtrak. It was true for the formula highway program. And for the purposes of equity, it had to be the same for the minimum allocation.

In fact, it should be noted that a number of important programs in this bill, including almost all of Amtrak, Coast Guard acquisitions and the Airport Improvement Program are funded below last year's level.

When we received the President's proposed budget for fiscal year 1993, we noted that it drastically shortchanged a number of programs that many of my colleagues on both sides of the aisle and from all areas of the country support.

The bill that we received from the House corrected some of the inequities, but by no means all of them. As we have in the past, my colleagues on the subcommittee and I—and I include the ranking member, Senator D'AMATO, who has worked very hard to help us get this transportation bill before us—worked to restore balance to the Transportation budget. But, we still had the budgetary constraints to deal with.

We have our 602(b) allocation, and we cannot bring a bill to the Senate floor unless we stay within that allocation. That is a simple fact of life.

In making decisions about how to distribute scarce dollars among the various programs in our bill, we looked carefully at how funds are being spent. According to the Federal Highway Administration, as we approach the end of the fiscal year, States have actually obligated only half of the funds available to them under the section 157 and demonstration project programs. Obligation rates under the regular formula programs, which benefit each and every State, are better.

Not every State gets section 157 money, but each and every State receives money under formulas approved last fall in ISTEA, under the regular Federal-aid Highway Program.

For every dollar that is made available to the section 157 and demonstration project programs and not actually obligated, that is a dollar that is not available for the formula programs. So what we are talking about, Mr. President, is the size of the pie. The pie is being reduced by virtue of necessity. The pie is smaller, and thus we had to cap the minimum allocations.

I did not want, Mr. President, to do that. The committee did not want to cap the section 157 or demonstration projects. For that matter, we did not want to cap the regular formula programs, or Coast Guard expenses, or the FAA either. But the budgetary realities forced us to do so.

In the highway area, we had to set an obligation ceiling below the fully authorized level, and by doing so we were able to provide funds for programs that the administration would have left high and dry, programs such as transit, which benefit areas from Los Angeles to Salt Lake City, to Phoenix, AZ, to St. Louis, MO, Miami, FL, metropolitan Washington, New York, and New Jersey.

Frankly, the relatively small amounts made available by imposing these caps went a long way toward meeting other needs without seriously hurting States.

I hope my colleagues will pay careful attention to what I can about to say. The Federal Highway Administration prepared tables showing how each of the States fared under the caps we had to impose and compared that to the scenario under the Bond Amendment.

All in all, 30 States, plus the District of Columbia and Puerto Rico, received slightly more funds overall under the committee's bill than under the amendment proposed by the Senator from Missouri. That is, by capping section 157 and ISTEA demonstration projects and putting the savings into formula programs, 30 States come out ahead.

Of the States that receive less funding, the differences are relatively small. In fact, for most of the impacted States, the difference is less than 2 percent. For example, Missouri gets 1 percent less under the committee bill than under the Bond amendment. And because of the balance that we were able to restore to the transportation bill because of caps on various programs, important transit projects in St. Louis, MO, can be funded.

Impact on other States that have traditionally been concerned about section 157 is similarly small. For North Carolina, it is just over 1 percent; for Wisconsin, it is less than 1.5 percent, and for Michigan, again, barely over 1 percent. And in the case of every State that is impacted by the cap on section 157 and demonstration projects, there are other areas in this bill where they benefit because of the balance we were able to restore to this bill.

Look, for example, at the State of Virginia. Traditionally, it has been a State concerned about minimum allocation. Under the committee bill, Virginia does almost $4 million better than it would under the proposed Bond amendment. Under the committee bill, it gets more formula funds, which can be put to work immediately.

With the balance we were able to restore because of caps, we were able to do things like fully funding the Washington Metro System, which I know is of great significance to the State of Virginia. Without caps, Virginia stands to lose highway money overall and to lose help for Metro. That is what a vote against the committee bill would mean.

Further, it is important to note that no State loses contract authority available to it under ISTEA. I repeat, there is not one State which loses the contract authority that was authorized in ISTEA.

To make it even clearer, Mr. President, that money goes into a bank account to be drawn upon in the future. So even if it is not obligated in the cur-

rent year, it is available. I repeat what I said earlier, that in many States the funds that were available have not been obligated—in fact, about half have not been obligated.

What has been capped in the committee bill is the ability to obligate the funds in this fiscal year, 1993. That is the reality of living within a budget amendment that was developed and agreed to by a majority in 1990. It has been my sincere hope for a long time now, and I hope that next year we will have another opportunity, when the budget walls come down, to provide more funds.

I find it slightly more than ironic that those who protested removing the budget walls between defense, foreign aid, and domestic spending are among the very people who today stand on this floor and demand to know why it is that they cannot get a higher share.

Well, it is a little late for that. We cannot go back. But for next year I hope people here will recognize those budget walls must come down. The world has changed. That may surprise some in this Chamber, but it has. The fact is we do not need the same defense distributions that we had before and we ought to be investing them in the well-being of our society and development of our economy.

But as long as we are operating under the current budget agreement, we simply cannot provide more. And given that reality, caps on virtually every program in this bill are an unfortunate necessity.

I urge my colleagues to oppose this amendment and support the committee bill.

Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from New Jersey has 14 minutes and 30 seconds.

Mr. LAUTENBERG. Mr. President, I will extend the debate marginally by reading from this list, so that we will have it in the RECORD.

Based on tables provided this morning by the FHWA, the Federal Highway Administration, here is a list of States that would be hurt by the Bond amendment and do better under the committee bill: Alaska, Colorado, Connecticut, Delaware, Hawaii, Idaho, Illinois, Iowa, Kansas, Maine, Massachusetts, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Oregon, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, Virginia, the State of Washington, West Virginia, Wyoming, plus the District of Columbia, and Puerto Rico.

So by voting for the Bond amendment, Senators from these 30 States would be voting for less highway money for their States.

I hope, Mr. President, that will be convincing enough for my colleagues to oppose this amendment and support the committee bill.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I note the absence of a quorum, and I ask that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I am pleased to allocate 10 minutes of time to my distinguished colleague from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, one of the most famous citizens of the State of my colleague, Senator BOND, is Mr. Yogi Berra, who I believe grew up in St. Louis. He is, of course, in addition to being a great baseball player, one of America's greatest philosophers.

Mr. LAUTENBERG. Mr. President, if the Senator will yield, Yogi Berra lives in New Jersey, has for many years, and is a neighbor of mine in Montclair, NJ. Just so the RECORD reflects where Yogi developed his philosophy and his views of the world.

Mr. BOND. If the Senator will yield, he was born in his native State of Missouri.

Mr. GRAHAM. Mr. President, the great philosopher, Yogi Berra, says it is deja vu all over again, and it is.

For those of you who do not want to listen to this debate, just collect the Records of the Senate for last fall, when we were debating the Surface Transportation Act, because you are about to hear it all over again.

What we are talking about here today is fundamental fairness. To put it in an old Southern expression: A deal is a deal. Less than a year ago, in the Surface Transportation Act, after a long and arduous negotiation, we struck a deal. The deal was that 22 States of America, representing over half the population of America, would accept an egregiously unfair formula for the distribution of funds if they were assured that they would get back at least 90 percent of the money that they contributed to the fund. That was the deal.

Now, less than a year later, in an obscure provision in an appropriations bill, we are about to undo that deal by providing for the first time that the funds that come to those 22 aggrieved States will now be placed under an obligation ceiling so that they will not get the 90 percent that they bargained for, that they agreed to. That is the essence of this debate.

Why do we have a minimum allocation program at all? We have a minimum allocation program because we have a very distorted basic allocation formula. What are some of the elements of that distortion? It will be hard for the people of America to believe this, but what I am about to say is true. The United States of America is going to distribute highway funds from now until the year 1997 based on the 1980 census. Most Americans would find that to be so shocking as to be beyond belief.

You would also be interested to know that as part of this formula, we are going to take into account the number of postal roads that existed in America back around the time of the First World War.

Those are some of the factors that have caused 22 States in the country to be so disadvantaged in terms of this allocation formula; that a minimum of at least 90 percent of what they sent to Washington, it was assured to them, they would receive unencumbered by any obligation ceiling.

There are some peculiarities in those 22 States. By a trick of political alchemy that is hard to believe, every one of the Southern States—all 11 States, as well as border States, such as Kentucky and Missouri—are in that list of 22 States. Some of the poorest States in America are the States that are most disadvantaged by this formula.

Virtually every growth State is disadvantaged. Who were the three fastest-growing major States in America last year in the 1990 census? They were California; they were Florida; they were Texas. Who are three of the 22 States that make up this group that have been so mistreated as to require a minimum allocation? They are California; they are Florida; they are Texas.

So we have the minimum allocation as a means of giving some redress to a formula that is patently irrational and unfair.

Are there already penalties inflicted against these 22 States that make up the minimum allocation pool? Yes. What are some of those penalties that already exist? One, since the 1987 highway bill, those 22 States have been effectively precluded from competing for discretionary funds. What does that mean? Typically, at the end of a Federal fiscal year, there will be some formula funds that, for various reasons, States have been unable to fully utilize. Those funds then come back into a pool, and States are allowed to compete.

While I was Governor of Florida, we built a lot of our Interstate System because we were able to compete for those funds at the end of the fiscal year. We were ready to spend it because we had urgent growth-related needs and were able to use funds that other States could not use, an eminently rational process.

Since 1987, the 22 States that are in the minimum allocation pool effec-

tively cannot compete anymore because every dollar they get through that discretionary fund is a dollar subtracted from the minimum allocation. No other group of States is subject to that discrimination except those who already have been so discriminated against that they were put into the minimum allocation pool.

The second discrimination is that while the 90 percent formula applies to funds that are currently being placed into the highway trust fund, that highway trust fund over the 1980's grew to a level of approximately $15 billion to $20 billion. In 1991, the surface Transportation Act will be spending down that surplus.

Obviously, that surplus was the result of funds coming from Missouri, coming from New Jersey, coming from Florida, from all of the States. Does the 90 percent apply, to assure us that we will get back our fair share of that money that we already have put into the fund? No. We only get the 90 percent of the new money that we put in.

So our States are already discriminated against by the irrational formula, by limitations in our ability to contribute, to compete for discretionary funds, and by the fact that we do not get back an equitable percentage of the money that we already put into the fund.

Now, on top of that, we are proposing to impose an obligation ceiling for the first time that this has ever occurred on those minimum allocation States.

Mr. President, I think any standard of basic fairness would say that this is not an equitable manner to distribute billions of dollars of Federal funds, which all Americans have paid, back to the individual States which have the responsibility of meeting the highway needs of those millions of Americans.

The issue here is not a budgetary cap issue. In fact, if you will look at the bill on page 19, you will notice that the House obligation ceiling is $16.690 billion. The Senate increases that to $18.6 billion. So rather than being constrained and having to cut the obligation ceiling, we have increased the obligation ceiling by approximately $1.3 billion in the Senate Appropriations Committee recommendations.

The issue is one of allocation. We are breaking the deal that assured the minimum allocation States of at least 90 percent of the funds that they sent into the Highway Trust Fund.

The issue is also who should decide? The Senator from New Jersey points to the fact that, oh, yes, we cut North Carolina by 1 or 2 percent, but there is a little money in there for a mass transit project. As I understand the Surface Transportation Act, if North Carolina got the money, it would have the flexibility to decide whether it wanted to use it for highways or for mass transit. That was one of the most compelling selling points of the 1991 Surface Transportation Act.

Why do we let North Carolina make the decision as to whether it wants to spend the money, respect the compromise negotiated in 1991, fully fund the minimum allocation States, as the law requires, and then let the individual States with the money that is available to them decide what are that States' priorities?

Mr. President, this is a very serious amendment, because it goes to the essence of fairness, to the essence of credibility of a decision, once made, to be carried out in the future. If this amendment is not adopted, if we were to succumb to the practice that says that the only thing that counts is getting a few more dollars for my State by this kind of method, then I suggest that we are succumbing to H.L. Mencken's observation about politicians:

> If politicians did what their constituents wanted, and their constituents happen to be cannibals, then the politician would gain favor by feeding them missionaries.

I do not want us to get to the point where the only standard we operate on here is who can "feed missionaries to our constituents."

We have a deal that was made in 1991. It is now 1992. I think we should faithfully carry out these requirements. Thank you.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, will the Senator from Missouri yield me 5 minutes?

Mr. BOND. Mr. President, may I inquire how much time remains?

The PRESIDING OFFICER. The Senator from Missouri has 10 minutes, 30 seconds. The Senator from New Jersey has 12 minutes, 58 seconds.

Mr. BOND. I am happy to yield 5 minutes to my colleague from Michigan.

Mr. LEVIN. Mr. President, I support the amendment of the Senator from Missouri for just the most basic of reasons. There is nothing more fundamental, more direct, more simple, more human, hopefully more compelling, than fundamental fairness.

We can argue in this Chamber—and we have—for weeks about the formulas, the technicalities, the criteria on whether or not we should consider the land areas, whether there ought to be a minimum for small States, whether we ought to look at postal road mileage, something which was relevant 70 years ago and not now. We can spend a week arguing this, and we have.

But it all comes down to this: After that argument was over and that debate was over, we finally agreed to a minimum allocation of 90 percent. My State has lost $1 billion in the last 5 years because we sent much more to Washington under the gas tax formula than we got back. Do we have less of a need for highway funds than other States? We do not. But we get less back, because of formulas designed in committees where we are not represented. That is what it comes down to.

We worked out, finally, excruciatingly, a formula to give us 90 percent back. It is called a minimum allocation. It is minimal fairness. This bill in front of us undoes what it took many Members of this Senate literally weeks to put together not so long ago.

Some people say, well, my gosh, if Wyoming got only as many dollars back as it put in, we would not have an interstate system, and they are right. But that does not justify a small State guaranteeing a postal road criterion and all the other criteria which are put into these formulas in order to benefit some States who have the heavier representation on the committee. That is what it comes down to in the eyes of those of us who lose money year after year, not for relevant, legitimate reasons—and there are some—but purely on the basis of politically who is there in the right committees to write the formula.

We have already argued those. We already thought we had reached an understanding. That understanding has been modified in this bill. It is that understanding which the Senator from Missouri seeks to restore.

My good friend from New Jersey is right. If this amendment passes, there are going to be a number of States who are going to get money than if the amendment does not pass. He is absolutely correct. It is also true, however, that if we had a 95 percent guarantee, the donor States, those who give a lot more than they get, would do better than they are. But we do not have 95-percent guarantee. We have a 90-percent minimum allocation.

The Senator from New Jersey is indisputably correct in that, if the Bond amendment is agreed to, there are going to be some States that will get less, but what they will be getting is exactly what we agreed to in this body in the highway bill. So the question is whether or not we will maintain that fundamental understanding and agreement which we reached. That is the bottom line here. That is what it all comes down to. That is why some of us feel very, very strongly on this issue.

I just ask one question of my friend from New Jersey, if I could interrupt his conversation, and forgive me for that.

Under the bill, it is written that there will be a reduction, as I understand it, of $900 million in the minimum allocation formula. It means that, effectively, the 90-percent minimum allocation is going to be reduced.

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mr. LEVIN. I have not asked the question yet.

Mr. LAUTENBERG. It sure sounded like a question.

Mr. LEVIN. I made a statement of fact that the minimum allocation limitation is going to be reduced by $900 million.

Mr. LAUTENBERG. That is incorrect. It is $200 million. I do not yield the time.

Mr. LEVIN. Let me ask my question——

The PRESIDING OFFICER. Who yields time to the Senator?

Mr. BOND. Mr. President, I yield 30 seconds, but we are running out of time.

Mr. LEVIN. I stand corrected. It is $207 million. The Senator from New Jersey is correct. That effectively reduces the 90-percent minimum allocation formula.

My question is: To what number does that $207 million reduction in the minimum allocation formula reduce the 90-percent minimum allocation to?

Mr. LAUTENBERG. The answer is, no, it does not. It does provide, as I earlier said, a credit for the 90 percent that each State is entitled to under an understanding reached a couple of years ago.

The fact is that, however, because of the budget limitation that we have, we had to bring down the top and, thusly, the categories underneath that top. Michigan, Missouri, all can count on getting that money. That is their money. It is, unfortunately, not available in this fiscal year. I am reminded that the money can be fully obligated under a series of accounts under the total obligation ceiling.

So the minimum allocation can be met. However, just like we capped Coast Guard, FAA, and other accounts, we had to cap the minimum allocations ceiling. They are all merged into a total. In fact, while the allocation of funds under minimum allocation could conceivably have been greater, it would have been at the expense of other things. So the obligation is that the contract authority is there, and the States can allocate it as they see fit.

Mr. LEVIN. I thank the Chair.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I yield 1 minute to the distinguished senior Senator from Oklahoma.

Mr. BOREN. I thank the Chair and the Senator. I will be brief and to the point. Last year, when we were debating the authorization bill, we had a commitment, which was that the donor States would no longer be treated unfairly; we would no longer continue to send our money to Washington and have it reallocated in an unfair fashion so that we support transportation systems in other States when we have our own pressing needs at home in our own States and communities.

In our own States, in our own communities, that commitment was made. And now, because of the way this bill is structured my State, for example, will lose another $4.6 million.

This is simply unfair. This has to do with keeping commitments. Those commitments should be honored. The commitments made in the authorization bill should be honored. And, therefore, we should pass the Bond amendment, the amendment offered by the Senator from Missouri, and others, which I am proud to join. It is time to keep the commitments that were made. If we do not keep them, we imperil the authorization process in the future.

It is simply a matter of doing what is right and accountable. Year after year the taxpayers in States like mine are subsidizing and funding programs in other States. It is time for that to end. It is time for those commitments to be honored. I strongly support the amendment, and I thank my friend for yielding to me.

Mr. BOND. I thank the Senator from Oklahoma.

Mr. President, I yield 1 minute to the Senator from Oklahoma.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Oklahoma.

Mr. NICKLES. Mr. President, we find ourselves again debating the fairness of the distribution of highway funds to the donor States. This is the same issue fought on the Intermodal Surface Transportation Efficiency Act [ISTEA] legislation last year. This debate bogged down the Senate on this important legislation and I will tell you, it will hinder the timely passage of this legislation if we do not keep to last year's agreement.

It is of grave concern to me that the Appropriations Subcommittee on Transportation decided to place the minimum allocation funding as contained in ISTEA under the obligation ceiling. As a result, donor States are once again faced with losing a significant portion of their highway dollars, dollars that were promised them in the ISTEA authorization.

This creates significant problems for donor States such as Oklahoma, which had planned on having the additional moneys available. These States have made their planning decisions based on the ISTEA authorized amounts, and this legislation threatens to force those States to develop new plans that will delay previous priorities. In fact, according to transportation officials in my State, Oklahoma's 5-year plan will have to be extended to a 7- or 8-year plan if the minimum allocation fund aren't removed from the cap.

Furthermore, it is my understanding that any carryover funds that the donor States have at the end of fiscal year 1993 will be lost because they will be considered under the obligation ceiling. What is more, the Department of Transportation informs me that these funds will end up going to the donee States. This was not our agreement last year, the minimum allocation funds were specifically created to help bring donor States up to a fairer level of funding, closer to their gasoline tax contributions into the highway trust fund account. This legislation we are considering breaks that agreement and will cost all 22 donor States money that they had anticipated and planned on being available.

Mr. President, it is essential that we keep the ISTEA agreement and that we pass the Bond-Nickles amendment. It is simply unfair to keep donor States fighting for their fair share of funding and it is doubly unfair to keep these States guessing as to how much money they can anticipate having available as they make their planning decisions. We must keep to our word, reverse this unfairness and assist the donor States in moving forward to meet their transportation and employment goals.

Mr. President, I wish to compliment Senator BOND from Missouri for his leadership, and also Senator GRAHAM for his leadership on this issue. As my colleague, Senator BOREN, just stated, we are here for a little equity. We fought this battle with the highway bill, we fought for a better allocation and more fair allocation, we fought for our State, and we spent hours trying to come up with something that would be fair.

We came up with a minimum allocation which was supposed to equalize States and for those States that had been donor States we were supposed to get a dollar for dollar into the program. That is what we were told, and it was stated repeatedly on the floor. Unfortunately, that is not the case as is coming out of the Transportation appropriations bill.

The amendment of the Senator from Missouri helps to remedy that. It does not remedy it in its entirety, so this Senator is not even totally pleased with it. But at least it would help restore fairness to the system and it is certainly not fair when we see increases going out for tremendous mass transit subsidies.

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. NICKLES. Mr. President I ask unanimous consent for an additional 30 seconds.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. Three minutes and 30 seconds.

Mr. BOND. I yield 30 seconds.

Mr. NICKLES. I thank my friend and colleague from Missouri.

Mr. President, what we are seeking is equity. We have not had fairness in this allocation. If we do not have restoration for the minimum allocation funds I think we are doing real injustice not being consistent with the bill

we passed in the highway bill nor are we being consistent with the commitments that were made when we passed the highway bill.

So I urge my colleagues not just from the dollars involved but for a matter of equity that we would support the amendment of the Senator from Missouri.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum to be charged equally to both parties.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I yield 1 minute to the Senator from Virginia.

Mr. WARNER. Mr. President, I was a member of the conference committee last year in the Intermodal Surface Transportation Efficiency Act. It was a long and arduous conference.

We sat in the majority leader's office and it was clear that the purpose of that conference was to once and for all try and dig ourselves out of the past, away from this inequitable formula predicated on old census reports and other criteria, and try and strike a blow for fairness among the 50 States of our great Nation.

Day after day we labored, and finally we did reach that compromise. And this afternoon we are about to witness a vote to set aside all of that work.

The impact of this provision on donor States is significant. According to the Congressional Budget Office, the limitation of $900 million in minimum allocation payments to States in fiscal year 1993 will result in a loss of $200 million to donor States next year alone.

For Virginia, preliminary estimates provided by the Federal Highway Administration indicate a loss of $1.9 million next year.

Mr. President, it is important to recall why the minimum allocation issue is so critical to donor States. It is simply an issue of fairness and equity.

Since 1982 minimum allocation has been the only guarantee to donor States to give them a reasonable expectation of the percentage of return they will receive annually from the highway trust fund. This provision is essential to enable States to plan effectively to meet their highway needs.

It is also important to recall why the minimum allocation program even exists. By 1982 it became clear that the current formulas used to apportion Federal highway trust fund moneys were inequitable. There was a growing number of States receiving far less from the trust fund than their highway users paid into the fund. Despite efforts in the Congress in 1982 to modify these outdated formulas to more closely reflect highway use, the formulas remained unchanged.

In recognition of the inequitable distribution of highway funds, the 1982 surface transportation authorization bill included the minimum allocation formula. This program provided that no State would receive less than an 85-percent return from the highway trust fund.

In the reauthorization of the surface transportation bill last year, the formulas again were the primary focus of the congressional debate. I fought for updating these formulas to reflect the significant increase in highway use in more populated regions of this country, but once again the formulas remained unchanged.

In preparation for the next reauthorization of surface transportation programs in 1997, ISTEA required another study of the funding formulas by the General Accounting Office and other entities. It is hoped that the Congress will use these recommendations to modernize the formula system of distributing highway trust fund dollars.

I supported this study to give the Congress a foundation of fact on which a program can be fairly devised in 1997. It is becoming increasing clear, however, that if the Senate wants to change these formulas each year, we may need further, independent review of this matter. I recommend that a bipartisan Presidential commission be appointed to examine these matters in order to craft a consensus on the allocation of these critical highway dollars.

So I will, hopefully, gain support from others, if this amendment loses, and next year address the concept of an impartial body trying to fabricate a fair formula for the future of this Nation's transportation system.

As the Senate will recall, after 9 months of intensive discussions by the Senate and the subsequent conference with the House, the 6-year reauthorization bill was the last piece of legislation passed by the Senate before the adjournment of the 1st session of the 102d Congress.

Mr. President, I was pleased to support the conference report on the ISTEA last year because I believed progress was made to give the donor States a greater return on their contributions.

If the Senate accepts the provisions of the Appropriations Committee, we will be taking a giant step backward.

Throughout the debate on minimum allocation—the only safety net for donor States—the Congress recognized that the percentage return to States should be increased from 85 to 90 percent.

The authorization bill expressly states that minimum allocation would be outside the obligation ceiling as it has been traditionally calculated by the Federal Highway Administration.

The limitations on minimum allocation, as provided in the Transportation appropriations bill, violates this hard-fought agreement reached only 9 months ago.

Once again, minimum allocation States will be penalized and will not receive a fair return on the dollars their citizens pay into the highway trust fund.

Once again, minimum allocation States will not receive a 90-percent return on every $1 contributed to the trust fund, a cornerstone of the Intermodal Surface Transportation Efficiency Act [ISTEA].

Mr. President, I urge my colleagues to abide by the 90-percent minimum allocation, as authorized, and support the Bond amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I yield myself such time as I have remaining, and that is?

The PRESIDING OFFICER. A minute and a half.

Mr. BOND. I thank the Chair and colleagues who have spoken on behalf of this amendment. As they pointed out, last year we struck a deal. The deal was struck after a long and hard fight, because highways, bridges, and roads are vital to our States, they are vital to economic growth, they are vital to our rural economies, and they are vital for safety.

These are funds coming from highway taxes paid by citizens in our State. And I would point out to the distinguished manager, this minimum allocation of funds is carried over, this minimum allocation is kept under an obligation ceiling; they cannot spend those funds as long as they are kept under an obligation ceiling.

This is one of the reasons a number of States may lose money that already has been appropriated and allocated under minimum allocation. They will not be able to use them if they are not used in the year to which they are obligated.

I believe that this vote is critically important to determine whether once we strike a deal in this body, regardless of whatever the charts may say—the charts from highways are from la la land, everybody can get one; I have not seen the latest charts—we have to stay with principle. And that is why I ask my colleagues for support of this vitally important amendment to restore the fairness achieved in the original highway bill.

I thank the Chair and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. BOND. Did the Chair say there is not a sufficient second?

The PRESIDING OFFICER. Yes.

Mr. BOND. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Jersey has 7 minutes left.

Mr. LAUTENBERG. Is that the only time remaining, Mr. President?

The PRESIDING OFFICER. Yes.

Mr. LAUTENBERG. Does the Senator seek recognition?

Mr. KASTEN. I wish to speak on behalf of the amendment. If the Senator would be good enough to yield me 1 minute.

Mr. LAUTENBERG. Mr. President, I am happy to yield to the Senator from Wisconsin for 1 minute.

Mr. KASTEN. Mr. President, I rise as a cosponsor in support of the amendment of the Senator from Missouri. This amendment would remove from the obligation ceiling the moneys that donor States receive under the highway program to guarantee at least a reasonable return of their tax dollars.

These minimum allocation dollars are moneys that the donor States, such as Wisconsin, receive to try to make up in some small measure for the fact that the formulas still do not treat our States with the equity we deserve. From 1956 to last year Wisconsin had paid $1.2 billion more in taxes than we got back.

In last year's Intermodal Surface Transportation Efficiency Act—commonly referred to as ISTEA—we once again made the decision that minimum allocation moneys should not be included under the obligation ceilings. This policy continues the treatment that minimum allocation has had under the 1982 and 1987 surface transportation bills as well. While donor States made headway under ISTEA, including MA under the obligation ceiling would erase some of those gains.

Last year the Senate Transportation appropriations bill also included MA moneys under the obligation ceiling, however the provision was struck in conference.

So, through two recent, in-depth considerations of this issue the policy has been to keep MA out of the obligation ceilings.

Wisconsin's Department of Transportation informs me that unless minimum allocation is treated as it has been for the last 11 years—that is, not under the obligation ceiling—that my State would lose on the order of $14 million in the next fiscal year.

Though I appreciate the viewpoint that MA is another outlay, the reason for its existence is to make up for formula deficiencies. As a Wisconsin Department of Transportation official said, to include minimum allocation dollars under the obligation ceiling is akin to taxing food stamps.

Because this amendment continues the treatment that these funds have received for the last 11 years, I believe that no major cash management problems should be encountered. I support the amendment of the Senator from Missouri and I urge its adoption.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. I ask unanimous consent that the Senator from California [Mr. SEYMOUR] be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, today we are revisiting an issue that is of great importance to some 20 to 30 so-called "donor States." These are States who for nearly half a century have been making large donations to the highway trust fund through taxes but have been receiving woefully inadequate amounts of funding in return.

At the end of last year as we worked to approve a conference report on the 6-year highway authorization bill, donor States were assured that we would be happy with the final compromise. That we would receive a greater return on our tax dollar.

In fact, Mr. President, when a final agreement did reach the floor at the last minute—with no real time provided to review the numbers and assess the real impact on our home States—most donor States once again found themselves shortchanged.

With past and future contributions to the highway trust fund taken into account, Indiana received a return of 84 cents on the dollar—lower than that passed in either the original House or Senate bill and only a penny per dollar higher than the year previous to the passage of this bill.

To add insult to injury, the bill included an increase in the gas tax.

In an attempt to appease donor States, the new highway authorization did guarantee a minimum 90 percent allocation to States of new and future contributions to the trust fund through the gasoline tax. Although this in no way compensated for past contributions to the trust fund, this was a guarantee made to minimum allocation States a mere 9 months ago.

As we all know, the minimum allocation pot has always been outside budget ceilings as these funds come specifically from the highway trust fund.

The framers of this appropriations bill, however, have violated this agreement by placing minimum allocation funds under the obligation ceiling. The total minimum allocation pot has been capped at $900 million regardless of what donor States deserve.

This action will shortchange minimum allocation States by an estimated $207 million. Coincidentally, mass transit projects in the Northeastern States will be receiving an increase in funding similar to this shortfall.

I should note that for fiscal year 1992, Indiana received $81 million in minimum allocation funding. The exact figures on minimum allocation funding for fiscal year 1993 will not be available for several months yet, but the current estimates places the amount due to Indiana at about $64.4 million. Under this bill, the obligation limit for a minimum allocation for Indiana for fiscal year 1993 will be approximately $52 million—a reduction of $29 million from fiscal year 1992 and a reduction of $12 million from the fiscal year 1993 ISTEA estimate.

In addition, the formula for demonstration projects authorized under the Intermodal Surface Transportation Efficiency Act has also been placed under a ceiling. While under the agreement reached in the authorization bill, the State of Indiana should expect approximately $18 million for demonstration projects for fiscal year 1993. With this new formula we can now expect an estimated $9.5 million—or a near 50 percent reduction.

It is important to note here that a significant number of Members of the other body basically signed off on the transportation authorization bill because they were promised specific funding levels for demonstration projects in their States.

Now, I understand that the bill contains $274.8 million in new funding for demonstration projects outside of ISTEA including $8 million for much needed corridor improvements for the city of Columbus where we have seen highway deaths resulting from a badly managed traffic flow. Of course this funding is welcome—and well deserved for a State that has averaged a return of about 75 cents on the dollar in its highway contributions since 1956. Yet in doing so, other important projects have been wrongfully and, in my view, needlessly shortchanged.

As unhappy as I was with the outcome of last year's authorization bill, I am simply astounded that donor States are being further taken advantage of in this legislation. As pleased as I am with the acknowledgement of a few important projects in Indiana, there is no way that I can support passage of this bill as drafted.

Mr. President, when will the enormous demands that have been made—and continue to be made—on donor States stop? Why are we already violating an agreement that was made to minimum allocation States less than a year ago?

Hoosiers have paid far more than their fair share to help those States

who did not have the ability to raise their own adequate contributions for the construction of the Interstate Highway System.

But the Interstate System is now, for all practical purposes complete and States like Indiana have their own needs which have been sorely neglected in deference to roads in the Northeast and West.

It is time to recognize the decades of contributions States like Indiana have made to other regions in the country and stop the highway robbery. I urge my colleagues to support the Bond amendment to remove the minimum allocation provisions from the ceilings and keep its commitment under ISTEA to donor States.

Mr. BUMPERS. Mr. President, I would like to engage my colleague from Arkansas, Senator PRYOR, in a colloquy about a problem which continues to afflict our State. The Senate version of the Transportation appropriations bill includes the minimum allocation program under the obligation ceiling, which is the spending limit on highway funding imposed by the bill. The effect of the ceiling is to prevent States from spending all allocated highway funds in a given year. Senator GRAHAM and Senator BOND are offering an amendment to remove the minimum allocation from the obligation limit and I rise to say that Senator PRYOR and I support this amendment.

The Senate Transportation appropriations bill changes the current law, which expressly excludes the minimum allocation program from the obligation ceiling. The Intermodal Surface Transportation Efficiency Act of 1991 [ISTEA] excluded the minimum allocation program from the cap in order to ensure that our State and other donor States receive a minimum return on the dollars we send to the trust fund each year. If the minimum allocation formula remains under the obligation ceiling, Arkansas' funding will be cut by $7,641,037 each year. Needless to say, this will be devastating to our small rural State.

Mr. PRYOR. Mr. President, I agree with Senator BUMPERS that the current proposal within the Transportation appropriations bill is a dealbreaker. The donor States, which rely upon the minimum allocation formula remaining outside of the obligation ceiling, spent weeks on the floor last year fighting for fairness under the new highway authorization bill. Our group of States has been shortchanged for years under the outdated highway program formulas, and those inequities continue under ISTEA because the outdated formulas were not altered. As a result of our fight, we were assured by the authors of the bill that ISTEA would protect us by excluding the minimum allocation formulas from the obligation ceiling. The provision in the appropriations bill is a direct violation of that guarantee and reduces our minimum allocation funding.

Mr. BUMPERS. Mr. President, let me add to the Senator's statement that not only does the current proposal fly in the face of what was agreed to previously but also it negatively impacts 22 States. Proponents of the pending legislation, who are, indeed, from donee States, which receive more money from the highway trust fund than they pay into it each year, point out that the donor or minimum allocation States continue to have only 44 votes. Obviously, this is never enough to shut off the debate between donor and donee States in order to deal appropriately with the unfair funding formulas which continue to plague donor States. The Senator and I certainly hope that this issue will be favorably resolved when this bill reaches the conference committee between the House and the Senate.

Mr. PRYOR. Mr. President, the Senator has plainly outlined the problem facing Arkansas and the other donor States. I rise to say that we strongly support the amendment offered by Senator BOND and Senator GRAHAM.

Mr. SEYMOUR. Mr. President, I rise to lend my strong support to the Bond amendment to this Transportation appropriations bill.

Absent adoption of the Bond amendment, the Senate will be reneging on the historic ISTEA agreement that was reached with the State less than 1 year ago.

Members of this body—namely, the donor States—voted for the ISTEA compromise on the basis that the minimum allocation [MA] would be set at 90 percent and that it would not be subject to obligational limitations. That was the agreement, and it was enacted in recognition of the fact that the donor States have been shortchanged for years under the outdated formulas that have been used to distribute trust fund dollars among the States.

It was precisely these provisions that brought reason to the distribution of highway trust funds. Will the very same Senate that made these promises only 9 months ago demonstrate that it had no intention of following through?

The purpose of the minimum allocation is to ensure that the donor States receive a minimum annual return on the dollars they contribute to the trust fund. The program is designed to make up for the inequity that exists in the current allocation formulas. Absent the bond amendment, California's minimum allocation funds will be cut.

Mr. President, the California Department of Transportation has reviewed this legislation. CALTRANS informs me that California could lose as much as $36 million during the fiscal year if minimum allocation adjustments are counted against obligational limits.

Like every other State, Mr. President, California is working very hard to meet its transportation needs. And with an economy flat on its back this is perhaps the worst time imaginable to elimiate job creating funds for California's. Infrastructure is a critical element in any sound economy, and California needs more, not less, to protect its economic health, bust gridlock, and create jobs.

I know the Transportation Appropriations Subcommittee is working under severe limitations. However, we cannot make up for this shortfall at the expense of the donor States.

Mr. President, the Bond amendment simply affirms the ISTEA agreement, and I urge its adoption.

Mr. CHAFEE. Mr. President, last December 18, the President signed into law the Intermodal Surface Transportation Efficiency Act of 1991, now known as ISTEA. That law represents a new approach to transportation and includes new programs and partnerships that will result in an efficient and high quality transportation system for our country.

The coalition that came together to make ISTEA possible produced a very good law. A delicate balance was achieved that addressed the needs of sparsely populated rural areas as well as densely populated urban areas. ISTEA provides flexibility so that those parts of the country that are experiencing growth can meet their needs with new transit or highway facilities. Similarly, with this flexibility, States that have older transportation facilities have the ability to fix and maintain what they already have.

An important part of the agreement that produced ISTEA was providing a balance between the so-called donor and donee States. The donor States have historically contributed more revenues to the highway trust fund than they have received back from the program.

The 1991 law included a new minimum allocation provision. The new law improves the return the donor States receive from the highway program compared to the revenues they contribute to the highway trust fund.

At the same time, Congress recognized the importance of providing an adequate transportation program for the donee States as well.

The transportation program provides significant national benefits and it is important that all States are provided a fair and equitable amount of money for an efficient transportation program. I believe the 1991 Surface Transportation Act achieved this goal.

For this reason, I will continue to support the decision reached by Congress in the transportation law last year—that the minimum allocation funds should be outside the obligation ceiling.

Mr. GRASSLEY. Mr. President, I would like to discuss the transit section of H.R. 5518, the fiscal year 1993

Transportation appropriations legislation, specifically, the severe cutbacks in the formula portion of the transit section.

Mr. President, under the programs of the Federal Transit Administration, section 3 discretionary capital grants assist communities in obtaining or improving capital equipment and facilities needed for public and private urban mass transportation. It should be noted that 85 percent of the funds in the section 3 program are spent by the 15 largest transit systems in the country.

Section 9 is a formula-apportioned program for urbanized areas of over 50,000 population. Recipients of funds in urbanized areas of over 200,000 are designated by the Governors of the States, local officials, and public transit operators. Urbanized areas with populations from 50,000 to 200,000 have their funds transferred through the Governor of the State. Funds under section 9 are available for capital, operating, and planning assistance.

The section 18 program dispenses capital and operating assistance for public transportation in nonurbanized areas under 50,000 population. Funds are allocated by formula to the Governor and the program is administered at the State level by the designated transit agency. Eligible activities include operating assistance, planning, administrative and program development activities, coordination of public transportation programs, vehicle acquisition, and other capital investments in support of general or special transit services.

Under the Senate Transportation appropriations bill before us today, formula funding under the transit section of this bill would take a severe cut compared to fiscal year 1992 appropriations, a 15.3-percent cut to be exact. At the same time, the section 3 discretionary program receives a 28.5-percent increase.

If these funding levels are adopted by the Congress, it will mean service cutbacks throughout my home State of Iowa, as well as other States across the country. The elderly and disabled would be especially impacted in many parts of Iowa. It is particularly disconcerting that these cutbacks come at a time when transit systems are trying to comply with mandates directed by the Americans with Disabilities Act.

Further, sections 9 and 18 are the only sources available to transit systems for operating expenses. These funds have been drastically cut over the last several years and further cuts will surely result in further service reductions in Iowa.

I would urge that when this legislation moves into conference with the House, that the conferees attempt to provide funding for the transit formula portion of this legislation closer to the funding level provided in fiscal year 1992. At the very least, I would hope that the funding level would be closer to that provided in the House Transportation appropriations legislation.

MINIMUM ALLOCATION FUNDING

Mr. LEVIN. Mr. President, I would like to ask the floor manager of the bill a few questions regarding demonstration projects and minimum allocation. My question is whether putting the minimum allocation and demonstration projects included in the Intermodal Surface Transportation Efficiency Act [ISTEA] under this bill's obligation ceiling alters the base upon which minimum allocation funding is calculated?

Mr. LAUTENBERG. No, it does not.

Mr. LEVIN. On November 27, 1991, just prior to final passage of the conference report on ISTEA, Senator MOYNIHAN and I entered into a colloquy on this issue. I said the following: "I also understand that the 90 percent minimum allocation is not reduced by demonstration project funding." He replied: "That is correct." Does this appropriations bill change this?

Mr. LAUTENBERG. No, it does not. This bill does not alter the way the FHWA calculates the amount of contract authority a State is entitled to under the minimum allocation program.

Mr. LEVIN. In other words, whether or not the cap on minimum allocation is removed, minimum allocations will not be reduced by any demonstration project funding a State receives.

Mr. LAUTENBERG. That is correct.

Mr. LEVIN. I thank my colleague.

Mr. MACK. Mr. President, I hope that my colleagues on the floor will join me in supporting the Bond-Nickles amendment to strike the proposed change which applies obligation limitations to minimum allocation funding.

Like every Senator here, I want to help my State provide safe and efficient roads and highways. That job is particularly difficult for Florida, because Florida grows by nearly 1,000 people a day. My State's transportation network has to grow quickly and efficiently to meet the need of a population that has grown by one-third since 1980.

But the provision in this bill which applies obligation limits to minimum allocation funding makes Florida's transportation task much harder—and unnecessarily so.

Florida has made significant efforts to meet its transportation needs. In recent years, the Florida legislature passed the largest ever comprehensive transportation package in the State's history. Florida ranks second among all States in State funding dedicated for transportation. Yet, with our strong commitment, Florida's transportation needs still outstrip available resources.

One of the primary reasons Florida falls short in meeting its funding needs is because Florida gets back only a small fraction of the moneys it contributes to the Federal Highway Trust Fund. A 1990 Florida DOT study reported that Florida received 53 cents for each dollar it contributed in Federal taxes.

In late 1991, the Congress passed the Intermodal Surface Transportation Efficiency Act [ISTEA]. Many long hours went into completing this legislation which would provide for our Nation's transportation needs for the better part of the next decade. At that time, an agreement was reached and supported by a large majority in Congress. It concluded that States such as Florida which receive an inequitable share of their contribution to the highway trust fund would get a 5-percent increase in their minimum allocation.

The Minimum Allocation Program was enacted as part of the Surface Transportation Assistance Act of 1982 to address the fact that certain States were consistently receiving far less funding than they contributed to the highway trust fund.

Most States receive more funding from the highway trust fund than they contribute. Further, they receive additional funding for discretionary projects. Minimum allocation States, on the other hand, get back less than they contribute to the highway trust fund and the bulk of the discretionary funding which they receive is counted against their minimum allocation.

Minimum allocation States would have liked to get back more of the money they contributed to the highway trust fund. They would have liked to receive discretionary funding without it counting against their base funding—a privilege which is enjoyed by every other State. However, the battle was fought and an agreement was reached when this body passed the Intermodal Surface Transportation Efficiency Act of 1991.

Now, irrespective of that agreement, an obligations limit has been applied to minimum allocation. As a result, approximately $200 million has been diverted from donor States, those who fall under minimum allocation, to other programs. For the State of Florida, it has been estimated that this will result in a gross loss of approximately $25 million.

This bill breaks the agreement under ISTEA and that is wrong. But more importantly, it is wrong because donor States like Florida—States that pay far more into the highway trust fund than they get back—are shortchanged again.

Mr. KOHL. Mr. President, I want to join my colleagues in expressing strong objection to the portion of the fiscal year 1993 Transportation appropriations bill which reneges on the agreements made with donor States such as mine.

Last year, when the Senate debated the Intermodal Surface Transportation

Efficiency Act, one of the most hotly contested issues was funding equity among States. At that time, I joined with my colleagues in opposing any continuation of transportation funding allocations that did not treat States equitably. In recognition of these concerns, the ISTEA bill established the Minimum Allocation Program. This program compensates States that pay more into the highway trust fund than they receive in highway grants. The ISTEA law so fully recognized the importance of restoring equity in transportation funding, that it clearly exempted the Minimum Allocation Program from the obligation ceiling. This promise was absolutely necessary to assure that the equity achieved through this bill was not eroded through the appropriations process.

Mr. President, last year's Transportation appropriation bill kept this important promise made to donor States. This year, the House transportation appropriation bill comports with that promise. But the Senate committee bill completely reneges on that promise.

I believe it is fair to say that many of the donor State Senators would never have supported passage of the ISTEA bill if they had not been assured of greater equity among States. To go back on that agreement, as this appropriations bill does, is to reopen that debate, and in my opinion, it is irresponsible. I urge my colleagues to vote in favor of the Bond amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

The question occurs on the amendment of the Senator from Missouri [Mr. BOND]. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from North Dakota [Mr. BURDICK] and the Senator from Tennessee [Mr. GORE] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that the Senator from North Carolina [Mr. HELMS] is absent due to illness.

On this vote, the Senator from North Carolina [Mr. HELMS] is paired with the Senator from Utah [Mr. HATCH]. If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Utah would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 39, nays 57, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—39

Bentsen	Chafee	Danforth
Bond	Coats	DeConcini
Boren	Cochran	Dole
Bumpers	Cranston	Durenberger
Ford	Levin	Packwood
Fowler	Lott	Pryor
Glenn	Lugar	Riegle
Graham	Mack	Robb
Gramm	McCain	Sanford
Heflin	McConnell	Sasser
Kassebaum	Metzenbaum	Seymour
Kasten	Nickles	Shelby
Kohl	Nunn	Warner

NAYS—57

Adams	Exon	Murkowski
Akaka	Garn	Pell
Baucus	Gorton	Pressler
Biden	Grassley	Reid
Bingaman	Harkin	Rockefeller
Bradley	Hatfield	Roth
Breaux	Hollings	Rudman
Brown	Inouye	Sarbanes
Bryan	Jeffords	Simon
Burns	Johnston	Simpson
Byrd	Kennedy	Smith
Cohen	Kerrey	Specter
Conrad	Kerry	Stevens
Craig	Lautenberg	Symms
D'Amato	Leahy	Thurmond
Daschle	Lieberman	Wallop
Dixon	Mikulski	Wellstone
Dodd	Mitchell	Wirth
Domenici	Moynihan	Wofford

NOT VOTING—4

Burdick	Hatch
Gore	Helms

So the amendment (No. 2884) was rejected.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the committee amendment.

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. LAUTENBERG. Mr. President, reserving the right to object, and I probably will not object. I understand I cannot reserve the right to object, so I object to the calling off of the quorum.

The PRESIDING OFFICER. The clerk will continue the call of the roll.

The legislative clerk continued the call of the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there is no further debate, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2841

The PRESIDING OFFICER. The question occurs on the Graham amendment, as amended.

Mr. D'AMATO. Mr. President, may I ask unanimous consent that on the Graham amendment that we have a voice vote and vitiate the yeas and nays?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

The question occurs on the amendment, as amended.

Mr. GRAHAM. Mr. President, I ask unanimous consent that Senator METZENBAUM be listed as an original cosponsor of the Graham amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment, as amended.

The amendment (No. 2841), as amended was agreed to.

Mr. GRAHAM. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments to the bill?

AMENDMENTS NOS. 2885 THROUGH 2887

Mr. LAUTENBERG. Mr. President, I have some technical amendments, one by Senator CRANSTON on California projects, one by Senator METZENBAUM on the causes of pilot error, and one on section 3 bus funds. They are agreed to by the minority. We send three technical amendments to the desk and ask for their consideration en bloc.

The PRESIDING OFFICER (Mr. LIEBERMAN). The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes amendments numbered 2885, 2886 and 2887 en bloc.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2885

At the appropriate place in the bill, insert the following new section:

SEC. . LOS ANGELES METRO RAIL.

(a) REPLACEMENT OF GRANTEES.—Effective on the date of enactment of this Act, the Los Angeles County Transportation Commission (hereinafter in this section referred to as the "Commission") shall replace the Southern California Rapid Transit District (hereinafter in this section referred to as the "SCRTD") as the federal grantee for the Minimum Operable Segment One (hereinafter in this section referred to as "MOS-1") of the Los Angeles Metro Rail project. The MOS-1 Full Funding Grant Agreement dated August 27, 1986, and all other MOS-1 grant documents required under federal law, shall be deemed to be amended, effective on the date of enactment of this Act, to designate the Commission as MOS-1 grantee; and all rights and obligations as MOS-1 grantee shall be transferred to the Commission on that date in accordance with the Memorandum of Understanding for the Transfer of MOS-1 Project, entered into by and between the Commission and SCRTD on June 24, 1992. No action by the Secretary of Transpor-

tation or other administrative action shall be required in order for the Commission to proceed to act in its capacity as MOS-1 grantee pursuant to this section.

(b) OBLIGATIONS OF COMMISSION.—Upon becoming the MOS-1 grantee under this section, the Commission shall be responsible for completion of the MOS-1 Project in accordance with the terms and conditions of the MOS-1 Full Funding Grant Agreement and other applicable grant agreements and in compliance with all applicable federal laws and regulations. In addition, the Commission shall remain responsible for all MOS-1 obligations arising prior to the date of enactment of this Act, in accordance with the Commission's Guarantee of Performance to the United States dated April 3, 1990.

(c) AVAILABILITY OF FUNDS.—All funds previously obligated to SCRTD under section 3 and section 9 of the Federal Transit Act, and unexpended on the date of enactment of this Act, shall be transferred to the Commission on such date and shall be available to the Commission to pay costs associated with the completion of MOS-1. Notwithstanding any other provision of law, neither the replacement of grantees under subsection (a) nor the transfer of funds under this subsection shall be considered to be a change in project scope or otherwise result in the deobligation of prior year funds, and all funds transferred to the Commission under this subsection shall be charged to the original appropriation and shall remain available until expended.

(d) DEFINITION.—For purposes of this section:

(1) the terms "Los Angeles County Transportation Commission" and "Commission" shall include any successor to the Commission that is established by or pursuant to State law; and

(2) the terms "Southern California Rapid Transit District" and "SCRTD" shall include any successor to SCRTD that is established by or pursuant to State law.

(e) Of the funds made available for the Los Angeles Metro Rail project, 45.45 per centum shall be for Minimum Operable Segment-2 and 54.55 per centum shall be for Minimum Operable Segment-3 of Metro Rail. Of the amounts for Minimum Operable Segment-3, an equal one-third share shall be provided for each of the three lines described in section 3034(i)(3) of the Intermodal Surface Transportation Efficiency Act.

At the appropriate place in the bill, insert the following new section:

SEC. . SAN JOSE-GILROY-HOLLISTER COMMUTER RAIL PROJECT.

Section 3035(h) of the Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking in the second sentence all after "one-time" and inserting in lieu thereof the following: "purchase of additional trackage rights and/or purchase of right-of-way between the existing termini in San Jose and Gilroy, California. In connection with the purchase of such additional trackage rights and/or purchase of right-of-way, the Secretary shall either approve a finding of no significant impact, or approve a final environmental impact statement and issue a record of decision no later than July 1, 1994. No later than August 1, 1994, the Secretary shall negotiate and sign a grant agreement with the Santa Clara County Transit District which includes the funds made available under this section for the purchase of additional trackage rights and/or purchase of right-of-way.

SPECIAL RULE FOR TMAS THAT DO NOT CONTAIN AN URBANIZED AREA OVER 200,000 POPULATION

On page 109, line 15, insert "(1)" before "Funds".

On page 109, line 21, insert the following:

"(2) Section 9(m)(1) of the Federal Transit Act (49 U.S.C. App. 1607(a)(m)(1)) is amended striking in the first sentence "urbanized areas of 200,000 or more population" and inserting the following: "transportation management areas established under section 8(i)".

AMENDMENT NO. 2886

On page 12, line 23, strike the period and insert in lieu thereof: ": *Provided further*, That of the funds available under this heading, $500,000 shall be made available to the Cleveland Clinic Foundation to initiate a definitive study to evaluate the human factors related to and/or inherent in pilot error. This study will be carried out in conjunction with Ohio State University.".

AMENDMENT NO. 2887

At the appropriate place at the end of title III, insert:

"SEC. . Notwithstanding any other provision of law, funds made available under this Act and previous Acts for the intermodal fuel cell bus facility program under the Federal Transit Administration's Discretionary Grants account shall be transferred to that agency's Transit Planning and Research account and be administered in accordance with section 6 of the Federal Transit Act, as amended."

Mr. LAUTENBERG. Mr. President, I urge adoption of the amendments en bloc.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments en bloc.

The amendments (No. 2885, No. 2886, and No. 2887) en bloc were agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I know of no further amendments to be offered on the bill, and I ask for third reading.

Mr. D'AMATO. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

EASTERN PARKWAY—LAWRENCE, KS

Mr. DOLE. Mr. President, the city of Lawrence is situated in the fastest growing traffic corridor in the State of Kansas—the K-10 highway corridor connecting Lawrence to the southern suburbs of Kansas City. The population of Douglas County, where the city is located, grew 21 percent between 1980 and 1990. Lawrence, itself, grew 24 percent over the same period.

Presently, there is no direct route from K-10 to two of the major highways in the region—U.S. Highway 40 and U.S. Highway 59. A proposed eastern parkway would provide a direct link and eliminate highway traffic through neighborhood streets. Estimated cost of this road is $15.5 million.

The city has lined up $7.3 million for the project—$4 million from a bond issue and $3.3 million from last year's highway reauthorization bill. In my May letter to the Transportation Subcommittee, I included a request for $8.2 million to complete this important project. That's not a huge amount for a highway demonstration project, but it is enough to get this essential project built.

Unfortunately, the committee was unable to fund this request in this year's appropriations bill. Senator LAUTENBERG and Senator D'AMATO had requests of 3 billion dollars for 300 million dollars' worth of highway demonstration project funds. In order to stay within their budget, they had to come up with some tough rules to narrow the field of requests. This project did not make the cut.

If I was chairman of the Transportation Subcommittee, I might have come up with different criteria, but I am not chairman of the subcommittee. And as the Republican leader, I know how annoying Monday morning quarterbacks can be. The chairman and the ranking member faced tough choices this year and have done their very best to meet their allocations without breaking the budget agreement. They deserve a lot of praise for their efforts.

It is going to be very tough to obtain additional funds, but I will work with Congresswoman JAN MEYERS and the Transportation Appropriations Subcommittee to fund this high priority project in the House and Senate Transportation appropriations conference. The House plays by different rules than the Senate, and sometimes unusual things take place in conference. I hope the conference will take a second look at this project and include it in their report.

ASR-9 RADAR SYSTEMS

Ms. MIKULSKI. Would the chairman yield for a question?

Mr. LAUTENBERG. I am happy to yield to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I want to ask a question regarding the FAA's procurement of the airport surveillance radars commonly called ASR-9's. As the chairman knows, these radar systems have been at the core of our efforts to enhance the safety of our national airspace system. The air traffic controllers have enthusiastically endorsed the ASR-9 as crucial new equipment, and many airports around the country are eagerly awaiting installation of these systems.

Although the FAA has a requirement for more than 100 new units, and has a contract option for 11 units, they have not sought procurement funding in their budget request for fiscal year 1993. Similarly, in fiscal year 1992, they requested no funds, but later decided to seek reprogramming approval for four systems in May of this year. With the chairman's support, this reprogramming was approved.

The Senator has included very favorable report language in the committee's report on this legislation discussing the nationwide interest in these systems and expressing concern that the production line for the systems not close. I understand that because of the chairman's severe budget constraints, it was not possible to add on funding for procurement of ASR-9 radar systems in the Senate bill. However, should the outlook change and additional funds become available in the conference committee, would it be the chairman's intention to consider providing additional funding for procurement of ASR-9 radar systems in fiscal year 1993?

Mr. LAUTENBERG. As the Senator knows, our budget allocation made it very difficult to fund the many meritorious programs which we would like to fund this year. However, if it becomes possible, I would certainly consider adding funding for procurement of ASR-9 radar systems in the conference committee. I am aware that these systems are highly prized by air traffic controllers and desired by many more airports than there are currently available systems.

Ms. MIKULSKI. I thank the distinguished chairman. Would it also be the chairman's suggestion to FAA that they carefully consider whether they have funding available to procure additional ASR-9 radar systems in fiscal year 1993 to avoid a shutdown of production for these popular and reliable radar systems?

Mr. LAUTENBERG. Yes, I would encourage FAA to see whether they can reprogram any funds for that purpose in fiscal year 1993.

Ms. MIKULSKI. I thank the chairman very much, and I yield the floor.

GREENVILLE-SPARTANBURG AIRPORT

Mr. HOLLINGS. Mr. President, I want to ensure that an airport in South Carolina is included on the list of airports that should receive a priority for airport improvement funds. I ask that you include language in the conference report about the critical need for funding for the airport, the Greenville-Spartanburg Airport, in Greer, SC.

Mr. LAUTENBERG. I received the Senator's request for this project and want to let him know I support the request and will work to include it in the conference report.

CURRITUCK MID-SOUND BRIDGE

Mr. SANFORD. I would like to discuss with the distinguished Senator from New Jersey a project of extreme importance to the safety of North Carolina residents and travelers to our beautiful Outer Banks: a bridge over the Currituck Sound in North Carolina.

Mr. LAUTENBERG. I would be glad to discuss this issue with the Senator from North Carolina.

Mr. SANFORD. As the chairman may be aware, the beautiful Outer Banks of North Carolina receive hundreds of thousands of visitors every year. The visitors come to enjoy our national wildlife refuges, seashores, and parks.

Currently, the only bridge serving the northern Outer Banks is at Kitty Hawk, NC. Travelers to the Outer Banks witness many heavy delays at the Kitty Hawk bridge, as it is the only bridge serving the thousands of visitors going to the beaches. In emergency evacuations, the motorists wait literally hours in traffic before they make it to the mainland. I have grown increasingly concerned about the need to provide more adequate transportation to the barrier islands from the mainland North Carolina. I am afraid that the longer we put off new bridge construction, the greater the threat that a hurricane or great storm will devastate the islands and jeopardize thousands of lives.

The counties of Currituck and Dare are currently pursuing funding for planning money for a new bridge that would connect mainland Currituck County with the Outer Banks of North Carolina. I am aware that there are funds for planning under the Highway Research, Development, and Technology Program. It is my understanding, that the funds necessary to plan and design a bridge over the Currituck Sound could come from this program. I hope that you will support funding the planning efforts for the bridge in conference.

Mr. LAUTENBERG. The Senator is correct; there are funds for planning and policy studies under the Highway Research, Development, and Technology Program. I will work in conference to secure the funding for the planning of the Mid-Sound Bridge.

Mr. SANFORD. I thank the Senator from New Jersey for his support of this important project.

Mr. DODD. Mr. President, I rise in strong support of the Transportation appropriations bill before us today.

First, let me commend the chairman and the ranking member of the Transportation Appropriations Subcommittee, Senators LAUTENBERG and D'AMATO, for their hard work on this legislation. The process of crafting an appropriations bill presents a real challenge in the best of times. Given current budgetary constraints, Senators LAUTENBERG and D'AMATO deserve an extra round of praise for developing such a sound and thoughtful measure.

Mr. President, our transportation infrastructure is critical to our Nation's competitiveness. Businesses are handicapped if our roads and bridges crumble, our railways rust, or our airports are congested. This bill includes some $33 billion in funding to rebuild and improve our transportation system. Given the head-to-head economic competition against other nations, this bill could not come at a better time.

Equally important, this bill means jobs. It means jobs building roads in Hartford and across the country. It means jobs reconstructing runways at Bradley International Airport and at other airports throughout America. It means jobs electrifying the Northeast Corridor between New Haven and Boston. With the recession continuing to devastate New England and the rest of the country, this bill could not come at a better time.

Mr. President, the Federal Aviation Administration provisions of this bill provide $9 billion to improve airports, upgrade air traffic control systems, and bolster aircraft safety. All are critical if the United States is to maintain its first-rate air transportation system.

I was particularly pleased that the bill supports Bradley International Airport's request for Federal funds next year. In 1993, the State of Connecticut will be in the fourth year of a 5-year effort to reconstruct Bradley's runways and taxiways, many of which have not been rebuilt since World War II.

This is a joint Federal-State effort. The State of Connecticut is spending $100 million to build a new terminal, renovate the existing terminal, and make other upgrades at Bradley. Moreover, the State will chip in $4.5 million of the total $7.5 million cost for the runway reconstruction project in 1993. $3 million in Federal funds for Bradley next year will ensure that the reconstruction effort moves forward on schedule.

Mr. President, I was disappointed, however, that the committee was not able to include more money for the installation of airport surface detection system equipment, known as ASDE-3, at airports across the country.

These systems are critical to preventing runway collisions in foul weather. Installation of the ASDE-3 system is now underway at 29 airports, and the FAA has found that there is a need for these systems at 10 additional airports. The committee was able to fund only three more systems, and the longer we wait to install this important technology, the more each unit will ultimately cost. It would be my hope that the Senate could move toward the more generous House funding level for this system in conference.

Mr. President, the bill also allocates over $18 billion for our Nation's highways. The roughly $300 million Connecticut stands to receive as a result is greatly needed to rebuild aging highways and bridges and to continue projects to relieve congestion on Connecticut's roads. It will also ensure that thousands of workers across Connecticut are put to work literally building a better future for our State.

Last but not least, Mr. President, the bill before us reaffirms that passenger railroads are an essential element of the National Transportation System. For example, the bill rejects the latest in a series of administration efforts to

weaken AMTRAK, and instead allocates $496 million for AMTRAK's intercity passenger rail operations.

In addition, the committee has renewed its commitment to the Northeast corridor Improvement Program by allocating $204 million for this purpose.

The Northeast corridor between Boston and Washington is the most heavily traveled intercity route in the country, and AMTRAK is already the largest carrier between New York and Washington. Improvements under the program's auspices will reduce travel times between AMTRAK's stops along the corridor, and will draw more travelers away from planes and automobiles, thus reducing air pollution and airport congestion in the Northeast.

The lion's share of the Northeast Corridor Improvement Program involves electrification of the corridor between New Haven, CT, and Boston. Electrification, along with track and signal improvements, is essential to allow travel speeds of up to 150 miles per hour. In the long run, the money spent to upgrade the corridor for high-speed travel is a cheaper and environmentally superior alternative to highway and airport expansion.

As important, Mr. President, the Northeast corridor improvement project creates jobs. According to the New England Council, it means 1,000 construction jobs in the region each year for 9 years. That translates into $305 million for working men and women. Furthermore, the council estimates construction will generate $894 million in new business sales and will result in $440 million in continuing economic activity once the project is complete.

Mr. President, at the time our economic competitors are investing billions in their transportation infrastructure, we must be willing to follow suit. And at the time our economy wallows in recession, we need to create productive, good-paying jobs. This bill will do both. It is a good bill which will build a brighter future for Connecticut and for the Nation, and I urge my colleagues to support it.

SENATE FUNDING OF THE UNITED STATES COAST GUARD: RECOGNITION OF A GROWING TRADITION OF SERVICE

Mr. PELL. Mr. President, I had the honor last night to attend the dedication of the U.S. Coast Guard's bronze relief sculpture commemorating over 200 years of Coast Guard service to this Nation.

The sculpture is part of the splendid Navy memorial located just down the street from the Capitol and I appreciated having the opportunity to attend the dedication of the Coast Guard's portion of the memorial.

As I stood at the memorial listening to the music of the Coast Guard band and talking to the Coast Guard men and women attending the dedication, I was reminded once again that America is truly well served by the Coast Guard and that this tradition of service has continued to grow despite the number of missions that have been placed upon the shoulders of the Coast Guard.

When I joined the Coast Guard over 50 years ago, a few months before the attack on Pearl Harbor, the mission of the Coast Guard was complex even when judged by today's standards. With the looming storm of war, the Coast Guard was asked not only to protect the safety of life and property on American waters, but also to remain vigilant to the possibility of enemy attack along our coastlines.

During World War II, the Coast Guard fought in all theaters of the war. Significant wartime Coast Guard responsibilities included convoy duty in the North Atlantic and landing craft duty in the Pacific. With the end of the war, the Coast Guard's duties did not diminish, they increased and have been steadily growing ever since.

These growing responsibilities of the Coast Guard were pointed out earlier today by the distinguished chairman of the Senate Appropriations Transportation Subcommittee, Senator LAUTENBERG. Senator LAUTENBERG's subcommittee has recognized the many missions of the Coast Guard in its report on Coast Guard funding priorities for 1993.

The subcommittee's report reminds us that in addition to overseeing marine safety and navigation, the Coast Guard has been dealing with Haitian refugees, the aftermath of the Desert Storm deployment, and the continued enforcement of U.S. environmental laws, particularly, oilspill prevention and cleanup.

I am pleased that the Appropriations Subcommittee continues to remain cognizant of the many difficult tasks we seem to heap on the Coast Guard with each passing year. I am also proud that the Coast Guard continues to meet each new responsibility with the determination and flexibility that has marked this service for 202 years.

Mr. BYRD. Mr. President, I want to congratulate the able Senator from New Jersey [Mr. LAUTENBERG] and his counterpart, the ranking member, Mr. D'AMATO, for their excellent work on the fiscal year 1993 transportation appropriation bill. This bill provides much-needed funding for our Nation's crumbling infrastructure—its highways and bridges, airports, mass transit, and rail passenger service. As Members know, however, due to extremely tight budgetary constraints, this bill falls short of the investments which should be made in our neglected highways and bridges—much more needs to be done.

In addition, I also want to congratulate Senator LAUTENBERG and Senator D'AMATO for bringing a bill to the Senate that is within its 602(b) subcommittee allocation in both budget authority and outlays.

I urge the passage of this bill.

Mr. MCCONNELL. Mr. President, passed by Congress last year, the Intermodal Surface Transportation Efficiency Act [ISTEA] excludes the Minimum Allocation [MA] Program from an obligation ceiling. I am dismayed that provisions in H.R. 5518 cap this program at $900 million.

The issue before us is one of fairness. I ask my colleagues, should we honor the agreement reached in ISTEA providing some semblance of equity to donor States, or should we break the deal by imposing ceilings contained in this bill? In capping the MA, I am left wondering where the fairness is to States that contribute more money to the Federal Government than they receive in spending on infrastructure projects.

The issue before us is also one of funding. Under this appropriations bill, Kentucky's minimum allocation is $18.9 million. Without a ceiling, and in accordance with the ISTEA agreement, Kentucky would receive $23.2 million, a difference of $4.3 million.

Mr. President, I commend Senator BOND for seeking to move the MA from this ceiling, and I am proud to be a cosponsor of his amendment. I urge my colleagues to support this important measure.

Mr. BOND. Mr. President, I ask unanimous consent that on the minimum allocation amendment Senator MCCONNELL of Kentucky be shown as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there are no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from North Dakota [Mr. BURDICK] and the Senator from Tennessee [Mr. GORE], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that the Senator from North Carolina [Mr. HELMS] is absent due to illness.

On this vote, the Senator from Utah [Mr. HATCH] is paired with the Senator from North Carolina [Mr. HELMS]. If present and voting, the Senator from Utah would vote "yes" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 74, nays 22, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—74

Adams	Durenberger	Mitchell
Akaka	Exon	Moynihan
Baucus	Ford	Murkowski
Bentsen	Fowler	Packwood
Biden	Garn	Pell
Bingaman	Glenn	Pressler
Bradley	Gorton	Pryor
Breaux	Grassley	Reid
Bryan	Harkin	Rockefeller
Bumpers	Hatfield	Rudman
Burns	Hollings	Sanford
Byrd	Inouye	Sarbanes
Chafee	Jeffords	Sasser
Cochran	Johnston	Seymour
Cohen	Kassebaum	Shelby
Conrad	Kennedy	Simon
Craig	Kerrey	Simpson
Cranston	Kerry	Specter
D'Amato	Lautenberg	Stevens
Daschle	Leahy	Symms
DeConcini	Lieberman	Thurmond
Dixon	Lott	Wellstone
Dodd	McConnell	Wirth
Dole	Metzenbaum	Wofford
Domenici	Mikulski	

NAYS—22

Bond	Kasten	Riegle
Boren	Kohl	Robb
Brown	Levin	Roth
Coats	Lugar	Smith
Danforth	Mack	Wallop
Graham	McCain	Warner
Gramm	Nickles	
Heflin	Nunn	

NOT VOTING—4

Burdick	Hatch
Gore	Helms

So the bill (H.R. 5518) as amended was passed.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. LIEBERMAN) appointed Mr. LAUTENBERG, Mr. BYRD, Mr. HARKIN, Mr. SASSER, Ms. MIKULSKI, Mr. D'AMATO, Mr. KASTEN, Mr. DOMENICI, and Mr. HATFIELD conferees on the part of the Senate.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

MILITARY CONSTRUCTION APPROPRIATIONS, FISCAL YEAR 1993

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate now consider Calendar No. 586, H.R. 5428, the militry construction appropriations bill; that the only amendments in order to the bill be the committee-reported amendments; that there be a time limitation of 20 minutes for debate on the bill and committee-reported amendments, with the time equally divided and controlled in the usual form; that when all time is used or yielded back, the following occur without any intervening action or debate: The committee-reported amendments be agreed to, en bloc; that the Senate proceed to third reading and final passage of the bill; and that no motion to recommit be in order; that upon disposition of H.R. 5428, the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee-reported amendments were agreed to, en bloc.

Mr. SASSER. Mr. President, under the previous order, I call up H.R. 5428, the Military Construction Appropriations bill for fiscal year 1993.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5428) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1993, and for other purposes.

The Senate proceeded to consider the bill, which was reported from the Committee on Appropriations with amendments; as follows:

The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.

H.R. 5428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1993, for military construction functions administered by the Department of Defense, and for other purposes, namely:

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, including personnel in the Army Corps of Engineers and other personal services necessary for the purposes of this appropriation, and for construction and operation of facilities in support of the functions of the Commander in Chief, **[$534,520,000]** *$366,260,000*, to remain available until September 30, 1997: *Provided*, That of this amount, not to exceed **[$124,300,000]** *$88,300,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, **[$396,059,000]** *$336,829,000*, to remain available until September 30, 1997: *Provided*, That of this amount, not to exceed **[$79,292,000]** *$62,942,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, **[$698,599,000]** *$704,690,000*, to remain available until September 30, 1997: *Provided*, That of this amount, not to exceed **[$100,000,000]** *$75,000,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, DEFENSE AGENCIES

(INCLUDING TRANSFER OF FUNDS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, **[$308,176,000]** *$194,516,000*, to remain available until September 30, 1997: *Provided*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further*, That of the amount appropriated, not to exceed **[$85,818,000]** *$56,818,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further, That the Secretary of Defense shall continue the construction of a composite medical replacement facility located at Nellis Air Force Base, Nevada, as authorized in the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) and the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510) and as provided for in the Military Construction Appropriations Act, 1990 (Public Law 101-148) and the Military Construction Appropriations Act, 1991 (Public Law 101-519).*

[NORTH ATLANTIC TREATY ORGANIZATION **[**INFRASTRUCTURE

[For the United States share of the cost of North Atlantic Treaty Organization Infrastructure programs for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in military construction Acts and section 2806 of title 10, United States Code, $121,200,000, to remain available until expended.**]**

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$160,665,000] *$145,331,000*, to remain available until September 30, 1997.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$230,209,000] *$233,790,000*, to remain available until September 30, 1997.

MILITARY CONSTRUCTION, ARMY RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$8,300,000] *$42,150,000*, to remain available until September 30, 1997.

MILITARY CONSTRUCTION, NAVAL RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$9,900,000] *$17,200,000*, to remain available until September 30, 1997.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [$34,330,000] *$43,210,000*, to remain available until September 30, 1997.

FAMILY HOUSING, ARMY

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [$208,382,000] *$127,340,000*, to remain available until September 30, 1997; for Operation and maintenance, and for debt payment, [$1,363,697,000] *$1,380,517,000*; in all [$1,572,079,000] *$1,507,857,000*.

FAMILY HOUSING, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [$339,640,000] *$359,410,000*, to remain available until September 30, 1997; for Operation and maintenance, and for debt payment, [$689,855,000] *$696,177,000*; in all [$1,029,495,000] *$1,055,587,000*.

FAMILY HOUSING, AIR FORCE

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [$332,954,000] *$261,786,000*, to remain available until September 30, 1997; for Operation and maintenance, and for debt payment, [$927,941,000] *$942,288,000*; in all [$1,260,895,000] *$1,204,074,000*.

FAMILY HOUSING, DEFENSE AGENCIES

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for operation and maintenance, leasing, and minor construction, as authorized by law, $28,400,000.

HOMEOWNERS ASSISTANCE FUND, DEFENSE

For use in the Homeowners Assistance Fund established pursuant to section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (Public Law 89-754, as amended), $133,000,000.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART I

For deposit into the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526), [$415,700,000] *$440,700,000*, to remain available for obligation until September 30, 1995: *Provided*, That none of these funds may be obligated for base realignment and closure activities under Public Law 100-526 which would cause the Department's $1,800,000,000 cost estimate for military construction and family housing related to the Base Realignment and Closure Program to be exceeded: *Provided further*, That not less than $134,600,000 of the funds appropriated herein shall be available solely for environmental restoration.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II

(INCLUDING TRANSFER OF FUNDS)

For deposit into the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991 (Public Law 101-510), [$1,618,600,000] *$1,743,600,000*, to remain available until expended: *Provided*, That not less than $308,900,000 of the funds appropriated herein shall be available solely for environmental restoration: *Provided further*, That an additional amount for the "Base Realignment and Closure Account, Part II" of $69,000,000 shall be derived from the "Environmental Restoration, Defense" account of Public Law 102-172, to remain available until expended, and to be available solely for environmental restoration.

GENERAL PROVISIONS

SEC. 101. [Hereafter, none] *None* of the funds appropriated in Military Construction Appropriations Acts shall be expended for payments under a cost-plus-a-fixed-fee contract for work, where cost estimates exceed $25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. [Hereafter, funds] *Funds* appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. [Hereafter, funds] *Funds* appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. [Hereafter, no] *No* part of the funds provided in Military Construction Appropriations Acts shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Army Corps of Engineers or the Naval Facilities Engineering Command, except (a) where there is a determination of value by a Federal court, or (b) purchases negotiated by the Attorney General or his designee, or (c) where the estimated value is less than $25,000, or (d) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. [Hereafter, none] *None* of the funds appropriated in Military Construction Appropriations Acts shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual Military Construction Appropriations Acts.

SEC. 107. [Hereafter, none] *None* of the funds appropriated in Military Construction Appropriations Acts for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.

SEC. 108. [Hereafter, no] *No* part of the funds appropriated in Military Construction Appropriations Acts may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation.

SEC. 110. [Hereafter, none] *None* of the funds appropriated in Military Construction Appropriations Acts may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

SEC. 111. [Hereafter, none] *None* of the funds appropriated in Military Construction Appropriations Acts may be obligated for architect and engineer contracts estimated by the Government to exceed $500,000 for projects to be accomplished in Japan or in any NATO member country, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.

SEC. 112. [Hereafter, none] *None* of the funds appropriated in Military Construction Appropriations Acts for military construction in the United States territories and possessions in the Pacific and on Kwajalein Atoll may be used to award any contract estimated by the Government to exceed $1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.

SEC. 113. [Hereafter, the] *The* Secretary of Defense is to inform the Committees on Appropriations and the Committees on Armed

Services of the plans and scope of any proposed military exercise involving United States personnel thirty days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed $100,000.

(TRANSFER OF FUNDS)

SEC. 114. [Hereafter, unexpended] *Unexpended* balances in the Military Family Housing Management Account established pursuant to section 2831 of title 10, United States Code, as well as any additional amounts which would otherwise be transferred to the Military Family Housing Management Account, shall be transferred to the appropriations for Family Housing, as determined by the Secretary of Defense, based on the sources from which the funds were derived, and shall be available for the same purposes, and for the same time period, as the appropriation to which they have been transferred.

SEC. 115. [Hereafter, not] *Not* more than 20 per centum of the appropriations in Military Construction Appropriations Acts which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year.

(TRANSFER OF FUNDS)

SEC. 116. [Hereafter, funds] *Funds* appropriated to the Department of Defense for construction in prior years shall be available for construction authorized for each such military department by the authorizations enacted into law during the current session of Congress.

SEC. 117. [Hereafter, the] *The* Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with an annual report by February 15, containing details of the specific actions proposed to be taken by the Department of Defense during the current fiscal year to encourage other member nations of the North Atlantic Treaty Organization and Japan and Korea to assume a greater share of the common defense burden of such nations and the United States.

SEC. 118. [Hereafter, for] *For* military construction or family housing projects that are being completed with funds otherwise expired or lapsed for obligation, expired or lapsed funds may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims, if any.

SEC. 119. [Hereafter, notwithstanding] *Notwithstanding* any other provision of law, any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of the fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project (1) are obligated from funds available for military construction projects, and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

SEC. 120. Of the funds appropriated in this Act for Operation and Maintenance of Family Housing, no more than $14,000,000 may be obligated for contract cleaning of family housing units.

(TRANSFER OF FUNDS)

SEC. 121. [Hereafter, during] *During* the five-year period after appropriations available to the Department of Defense for military construction and family housing operation and maintenance and construction have expired for obligation, upon a determination that such appropriations will not be necessary for the liquidation of obligations or for making authorized adjustments to such appropriations for obligations incurred during the period of availability of such appropriations, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense" to be merged with and to be available for the same time period and for the same purposes as the appropriation to which transferred.

SEC. 122. None of the funds appropriated in this Act, except those necessary to exercise construction management provisions under section 2807 of title 10, United States Code, may be used for study, planning, design, or architect and engineer services related to the relocation of Yongsan Garrison, Korea.

SEC. 123. [Hereafter, such] *Such* sums as may be necessary for annual pay raises for programs funded by Military Construction Appropriations Acts shall be absorbed within the levels appropriated in each annual Military Construction Appropriations Act.

[SEC. 124. Defense access roads for Camp McCain, Mississippi, shall be considered as fully meeting the certification requirements specified in section 210 of title 23 of the United States Code.

[SEC. 125. The environmental response task force established in section 2923(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1821) shall reconvene and shall, until the date (as determined by the Secretary of Defense) on which all base closure activities required under title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 101-526; 102 Stat. 2627) are completed—

[(1) monitor the progress of relevant Federal and State agencies in implementing the recommendations of the task force contained in the report submitted under paragraph (1) of such section; and

[(2) annually submit to the Congress a report containing—

[(A) recommendations concerning ways to expedite and improve environmental response actions at military installations (or portions of installations) that are being closed or subject to closure under such title;

[(B) any additional recommendations that the task force considers appropriate; and

[(C) a summary of the progress made by relevant Federal and State agencies in implementing the recommendations of the task force.

[SEC. 126. Notwithstanding any other provision of this Act, each amount appropriated by this Act is hereby reduced by one percent.]

SEC. 127. None of the funds appropriated in this Act may be used for the design, construction, operation or maintenance of new family housing units in the Republic of Korea in connection with any increase in accompanied tours after June 6, 1988.

SEC. 128. None of the funds appropriated in this Act may be used to support the design or construction of any project to expand or rehabilitate the Pentagon reservation.

This Act may be cited as the "Military Construction Appropriations Act, 1993".

Mr. SASSER. Mr. President, a number of our colleagues are on the floor, including the distinguished Senator from Iowa. We ought to be able to dispose of this military construction bill in the space of about less than 10 minutes. The distinguished ranking member, Senator GRAHAM, has another engagement which I think he wishes to try to keep, if I am not mistaken.

So if my friend from Iowa and others will let us go ahead quickly and get this out of the way, I will be pleased to then yield to them.

Mr. HARKIN. Mr. President, will there be a rollcall vote?

Mr. SASSER. We do not anticipate a rollcall vote, Mr. President.

Mr. President, this bill was reported out of the full Appropriations Committee last Friday. The bill recommended by the full Committee on Appropriations is for $8,197 million. This is $193 million under the budget request, $277 million under the House bill and $366 million under the level enacted last year. I am pleased to report to the Senate that the bill is within the committee's 602(b) budget allocation for both budget authority and outlays.

Mr. President, it has not been easy drafting the military construction bill this year. Earlier this year, the subcommittee received an allocation that provided for a modest $50 million reduction from the budget request. The Committee on Appropriations believed that from a budget request of over $8 billion, a reduction of a mere $50 million could easily be achieved.

But as the saying goes, "a funny thing happened on the way to the theater."

The Committee on Appropriations in the House approved an appropriations bill that was $290 million over the budget request. Late in the cycle, the administration sent the Congress a budget amendment for another $116 million. This was the first time a budget amendment has been forwarded for military construction since I have been a member of the subcommittee since 1978. Finally, and perhaps most important, the Senate Armed Services Committee reported out a military construction authorization bill that added $720 million in new projects over the President's budget request.

So, it became clear to the subcommittee very quickly that we were being asked to fit a size 13 foot into a size 9 shoe. In short, there was no way to draft a bill without inflicting a great deal of pain and making some very difficult choices.

Mr. President, we did what we had to do. We made tough decisions, and we squeezed the authorized projects into the bill.

Mr. President, the administration's request for military construction for fiscal year 1993 was unrealistic as submitted and totally unbalanced in its priorities. Compared to last year's enacted level, the budget proposed a 60-percent cut in the regular military construction program inside the United States while requesting a 25-percent increase in construction overseas.

In just one account, for instance, the budget sought a 95-percent cut in the

construction program of the Army National Guard. Mr. President, those are not the priorities of the country.

On the other side of the ledger, the administration requested in its budget, $221 million for the NATO infrastructure program.

Mr. President, the administration has available to it the same information the subcommittee has. The administration knows that the construction backlog of the Army Guard, the Air Guard, the Army Reserve, the Navy Reserve and the Air Force Reserve is over $3 billion. And that backlog is growing, even as the force levels are being reduced.

So against this $3 billion construction requirement, the administration budgeted only $187 billion for the entire Guard and Reserve component of the Department of Defense.

Contrast that budget request, Mr. President, with the request for total spending overseas. The budget sought $530 million for overseas spending. Mr. President, we have almost 8 percent of our work force inside the United States unemployed. We need jobs in this country. We do not need to export construction jobs to foreign workers at foreign military bases.

So, Mr. President, the committee wisely placed a moratorium on most military construction overseas.

Now, some may say that the bill ignores valid requirements at our overseas bases. Mr. President, the simple truth is that we have no idea what our overseas force and base structure is going to look like in the future. Can any Member of the Senate tell me how many troops we will have in Europe in 5 years?

In the United States we have a deliberate and authorized base closure process to close bases inside the United States.

Overseas, we have only the Department of Defense and the Department of State free to negotiate with host nations on the future of our overseas base structure. The Congress and the American people have no role in that process.

All we get are press releases from the Department of Defense Public Affairs Office, or leaks in foreign newspapers, indicating that the Department of Defense is willing to give this base or that base back to the host nation.

So, we do not know what is going on overseas. We do not know what bases this administration is willing to give up or what bases it wants to keep. Our allies and their governments and their parliaments know more about American plans for overseas base structure than does the U.S. Congress.

In the United States, the base closure process is completely open. Every citizen in an impacted community has a right to have his or her voice heard. The Congress has an opportunity to vote on the decisions of base closure commissions. But overseas, everything is done in secret. Everything is done behind closed doors with representatives of foreign governments. The host nations are at the table. But the American Congress which is asked to pay the bill is kept in the dark until all the decisions are made.

I cannot tell any Member of this Senate what bases remain to be closed in Europe. I cannot tell any Member of this Senate what bases will be closed in the Pacific. I cannot tell any Member of the Senate what our allies are willing to pay, if anything, as the residual value of bases we will close. I cannot tell you what level of support our allies are willing to give to our remaining base structure overseas.

All I can tell you is, that with all these questions left unanswered, the administration wanted the Congress to write a check for $530 million—over a half a billion dollars—for construction overseas; $221 million of that amount is essentially in the form of a grant to the NATO Infrastructure Program. Now the Congress has always supported the NATO Infrastructure Program. But NATO is now a vastly different military alliance than it was a few short years ago. Every member of the alliance is cutting back on defense spending. And I cannot tell the Senate how those reductions are going to impact our allies' contribution to the NATO Infrastructure Program. All I can tell Senators is that the administration wants us to sign a check made out for $221 million for unspecified projects, projects that have no name or location, 99 percent of which are usually built in foreign countries.

Now, when the administration heard the subcommittee was planning to place a moratorium on overseas spending, the NATO lobby inside the administration got energized. Phone calls went out to many Members of the Senate. Late last week, it seemed like the sky was falling. That a moratorium on NATO infrastructure would result in the dissolution of the entire alliance.

Where have these administration officials been all year. The subcommittee had a hearing on NATO. The administration sent a rather low level witness. Questions and remarks from subcommittee members on both sides of the aisle made it very clear that spending overseas, especially for NATO, was in great jeopardy.

But months passed. We heard from no administration official requesting to be heard, formally or informally, on the importance of the NATO Infrastructure Program.

Now some observers tell me that the administration is looking for bills to veto. Mr. President, I cannot believe that President Bush would veto this bill which provides jobs for American workers inside the United States because it does not have enough in it which would be spent overseas.

A veto would cut jobs throughout this country. We have provided funds to build valid and required military construction projects. The NATO Infrastructure Program would pay for unspecified projects, we do not know where or how or when or how much. But we do know they would not be in the United States.

I would just say to any Member with whom the administration may seek to raise this issue, that we are not cutting off the spigot to the NATO Infrastructure Program. The program will be getting $60 million from recoupment of prior year projects NATO has agreed to reimburse. And the program has unliquidated balances of well over $400 million.

So we are not killing the NATO Infrastructure Program. We are placing a moratorium on any new appropriations until we know where this program is going and specifically how American taxpayer funds are to be spent.

Now, Mr. President, if we do get a veto on this bill, I want to know where we are going to find the money to pay for all this overseas spending the administration cares so deeply about.

Mr. President, every one of the projects funded in this bill has been or will be authorized. The military construction and defense process is the only process whereby each year four congressional committees, the Senate Armed Services Committee, the Senate Appropriations Committee, and our companion committees in the House, are required to approve projects before they are ever built. No other construction activity of the Federal Government is subjected to this kind of review and approval process.

With this kind of review and oversight, projects that are not required don't get funded. And when the Department of Defense sends us a budget request that cuts U.S. spending 60 percent while increasing overseas 25 percent, we have an obligation to the American people to correct that policy imbalance.

So, I would say to our colleagues, if you start getting phone calls from the White House saying this bill doesn't provide enough funding overseas, I hope you will turn to the back of the report and look at the State tables. Look at each State. And tell us what specific projects in your State can be cut to pay for some unspecified project in Europe for NATO. If any Member of the Senate who wants to give up his project and dedicate those funds to the NATO Infrastructure Program or to any other overseas project, let him come to the floor and offer an amendment, I will be glad to accept it.

Mr. President, I remind my colleagues that if we do get a veto on this bill, domestic projects will not be funded; it is just that simple.

So, Mr. President, I hope that those in the administration who considering

stirring the pot would think twice about their responsibilities. First they send us a request that totally emasculates a domestic military construction program. Then the administration fails to lend strong support to the overseas program submitted in its place. And after failing to show support for its own program, it opposes the bill. Well, Mr. President, the administration's responsibility does not end when the budget request is submitted. If the administration had wanted these funds so badly why haven't we heard from them before now.

Now, as we near conference on this bill, I hope the administration will be willing to work with us to set the priorities straight. The priorities in the budget request will not work. They are not the priorities of the American people.

Mr. President, it is possible to reach a compromise on this bill in conference, but only if the administration realizes that it cannot continue to submit legislation that is so weighted to spending overseas.

Now, Mr. President, the report has been available to Senators, so I will not address every detail. I do want Members, however, to take note of the large growth in the base closure accounts. The request for base closure activities was almost triple last year's appropriation. We have approved the level requested by the administration because under the base closure law, closures must be accomplished by certain specific dates.

But I am extremely concerned with the growth of this program. The base closure program cannot replace a regular military construction program. Our military bases that will remain open will continue to have investment requirements which must be met. But as the base closure program grows, it will continue to crowd out the regular military construction program.

We are learning that the Department has grossly underestimated the cost of cleaning up closed bases. Likewise the Department is overestimating the potential revenue which could be received from the sale of closed installations.

The subcommittee is asking the General Accounting Office to help us evaluate the future requests for the base closure accounts. If the Department is unable to get the cost of base closures under control, it has a responsibility to reorient other priorities in the defense budget so adequate funding is available to pay for the routine military construction requirements of the active services and the Guard and Reserve.

Mr. President, before I close I wish to thank the ranking minority member for his participation and his contributions to the subcommittee this year. The junior Senator from Texas knows that ours was a Texas-sized problem this year and we worked it out the best we could.

Mr. President, I yield the floor.

Mr. GRAMM. Mr. President, I thank the distinguished chairman for his leadership in bringing forward what basically I think is a good bill. The bill is $277 million below the level of funding provided by the House, $775 million below the level authorized by the Senate, and $193 million below the administration request. It fully funds the base closure accounts. In short, we have undertaken an orderly build-down process.

This was a difficult bill to write. I think we have made prudent decisions. The basic decision we made is that when in doubt, given the dramatic defense build-down, we ought not to commit money until we know exactly where we want to be when we are done. So I think it is a good bill. I congratulate the chairman. I thank the members of the committee for their leadership. I commend this bill to the Senate.

I yield the floor.

Mr. SASSER. Mr. President, I thank the Senator from Texas for his comments.

Mr. BYRD. Mr. President, I want to congratulate the distinguished Senator from Tennessee [Mr. SASSER] and the distinguished ranking member, Senator GRAMM, for the timely and expeditious manner in which they have completed action on the fiscal year 1993 military construction appropriation bill. They were able to fashion a bill, under extremely tight budgetary constraints, that is within its 602(b) subcommittee allocation in both budget authority and outlays and which accommodates the needs for the continuation of high-priority construction projects.

It is a reflection upon the excellent work of these Senators that this bill was passed without amendment on the Senate floor, and I urge the passage of the bill.

BUDGET COMMITTEE STATEMENT ON MILITARY CONSTRUCTION APPROPRIATIONS BILL

Mr. SASSER. Mr. President, the Senate Budget Committee has examined H.R. 5428, the military construction appropriations bill and has found that the bill is under its 602(b) budget authority allocation by $26 million and under its 602(b) outlay allocation by $99 million.

As the manager of the bill, I would like to compliment the distinguished ranking member of the Military Construction Subcommittee, Senator PHIL GRAMM, for his efforts in bringing this bill to the floor under its 602(b) allocation.

Mr. President, I have a table prepared by the Budget Committee which shows the official scoring of the military construction appropriations bill and I ask unanimous consent that it be inserted in the RECORD at the appropriate point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 5428

MILITARY CONSTRUCTION SUBCOMMITTEE SPENDING TOTALS—SENATE REPORTED

[In millions of dollars]

Bill summary	Budget authority	Outlays
Defense	8,197	9,308
Senate 602(b) allocation	8,223	9,407
Difference	−26	−99
Mandatory total	0	0
Senate 602(b) allocation	0	0
Difference	0	0
Bill total	8,197	9,308
Senate 602(b) allocation	8,223	9,407
Difference	−26	−99
Defense above (+) or below (−):		
President's request	−193	−50
House—passed bill	−277	−23
Senate—reported bill		

1993 APPROPRIATIONS SUMMARY—MILITARY CONSTRUCTION

[In millions of dollars]

Spending totals	President's request		House passed		Senate reported		Senate passed		Conference	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Discretionary: Defense (Total)	8,390	9,358	8,474	9,331	8,197	9,308				
Mandatory	0	0	0	0	0	0				
Bill total	8,390	9,358	8,474	9,331	8,197	9,308				

Mr. GORTON. Mr. President, I would like to take a few moments to express my thanks to Senator SASSER and Senator GRAMM of Texas for supporting two very important projects in the State of Washington—housing at NAS Whidbey Island and construction of three Guard armories in Grandview, Buckley, and Moses Lake, WA.

In 1990, NAS Whidbey Island was authorized to participate in the 801 housing program. When the base appeared on the 1991 base closure list, however, the program was put on hold. Shortly following the Base Closure and Realignment Commission's decision to keep NAS Whidbey Island open, Congress allowed Whidbey to continue its

801 program by authorizing $21.1 million in 801 build-to-lease funds (Public Law 102-190).

Due to budget scoring laws, the 801 program was never programmed for Whidbey Island. The fiscal year 1993 Military Construction Appropriations Committee report directs the Navy to include new housing construction funds for NAS Whidbey in the fiscal year 1994 budget. I will have to admit some frustrations with the Navy for not programming funds for housing at Whidbey in this year's budget, particularly when it has already designated NAS Whidbey as a critical housing area. The young airmen and their families are suffering daily as they are forced to live in substandard housing, and I have heard first hand about the hardships they endure as they wait for affordable and adequate living conditions. I will be working closely with the Navy to see that it includes new housing construction funds in next year's budget.

The committee also included funds for the construction of three Guard armories in Buckley, Grandview, and Moses Lake, WA. Senator ADAMS and I have been working all year to see that these funds are included in this year's bill, and I am pleased that the committee has agreed to do so. A site survey has been completed for all three armories, and construction of the proposed projects is ready to begin.

I regret that the committee was unable to include the additional funds for the bachelor's enlisted quarters at the Puget Sound Naval Shipyard, or the family housing in Kitsap County, WA. Again, I am keenly aware of the housing shortages in these areas and encourage the conferees to include the additional funding in the fiscal year 1993 military construction appropriations conference report.

All of these projects are a top priority in the State of Washington, and I encourage the Senate's support.

Mr. DASCHLE. Mr. President, I have a concern about the committee-reported fiscal year 1993 military construction appropriations bill and hope that I might engage the distinguished chairman of the subcommittee, Senator SASSER, in a colloquy to clarify the situation.

Mr. SASSER. Mr. President, I am aware of this matter and am happy to enter into a colloquy with the Senator from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. Mr. President, the committee report accompanying the 1993 military construction appropriations bill lists appropriations of funds for an Air National Guard Unit in Sioux City, IA, under two separate entries, including one listing under the State of Iowa and one listing under the State of South Dakota. It is my understanding that the listing under the State of South Dakota was duplicative and unintentional. Is that correct?

Mr. SASSER. Mr. President, the Senator from South Dakota is correct. I have been informed that the Sioux City Air National Guard unit was listed correctly under the State of Iowa and also listed incorrectly under the State of South Dakota. That is an error we intend to correct in the conference report.

Mr. DASCHLE. Mr. President, I also understand that a project for the South Dakota Army National Guard at Fort Meade and a project for the South Dakota Air National Guard at Joe Foss Field in Sioux Falls were supported by the Subcommittee on Military Construction but were not funded in the bill because the subcommittee was concerned that these two projects had not been included by the Senate Armed Services Committee in the committee-reported version of the defense authorization bill. In other words, it is my understanding that the only reason those two South Dakota projects were not funded in the Senate's military construction appropriations bill is that the subcommittee believed that the projects were not going to be authorized this year. Is that correct?

Mr. SASSER. Yes; that is also correct. The Subcommittee on Military Construction based its actions on a list of projects to be authorized that it received from the Senate Armed Services Committee. Unfortunately, there was some confusion, and the subcommittee was unaware of the addition of these two South Dakota projects to the list of projects to be authorized. Had we known that the projects were to be authorized this year, we would have included funding for them in the committee-reported appropriations bill. Furthermore, the Senator from Tennessee wants to assure the Senator from South Dakota that he will do everything he can to ensure that full funding in fiscal year 1993 is provided for these projects in the final conference report. That would entail $805,000 for the Army National Guard training site expansion at Fort Meade, SD, and $3 million for the Air National Guard munitions maintenance and storage complex at Joe Foss Field in Sioux Falls.

Mr. DASCHLE. Mr. President, I appreciate that commitment from the distinguished chairman of the subcommittee. He has always been more than fair, and I want to thank him for his willingness to clarify and resolve this situation. His help is greatly appreciated.

Mr. SASSER. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, provided that no point of order shall be considered as having been waived by reason of this agreement, and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The committee amendments were agreed to en bloc.

Mr. SASSER. Mr. President, no amendments are in order to the bill, so I yield back my time and ask we go to a third reading.

The PRESIDING OFFICER. Does the Senator from Texas yield back his time?

Mr. GRAMM. Mr. President, I yield back my time.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

So the bill (H.R. 5428), as amended, was passed.

Mr. SASSER. I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendments, requests a conference with the House, and the Chair appoints Mr. SASSER, Mr. INOUYE, Mr. REID, Mr. FOWLER, Mr. BYRD, Mr. GRAMM, Mr. GARN, Mr. STEVENS, and Mr. HATFIELD conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. I thank the Chair.

(The remarks of Mr. HARKIN pertaining to the introduction of S. 3133 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HARKIN. I yield the floor.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1993

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 5503) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1993, and for other purposes.

The Senate continued with the consideration of the bill.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). The Chair recognizes the Senator from Nevada [Mr. BRYAN].

Mr. BRYAN. Mr. President, I thank the Chair.

AMENDMENT NO. 2882 TO AMENDMENT NO. 2881

Mr. BRYAN. Mr. President, the amendment offered by the distinguished Senator from Arkansas would be an amendment that has a devastating impact upon us in Nevada.

I am proud to be a cosponsor of the Reid amendment because I think it addresses the problems which have been debated on this floor in previous sessions that deal with the mining law of 1872.

Mr. President, I think a moment of history would be in order here. When we speak of mining and the history of statehood in Nevada, mining and Nevada's origin as a State are inextricably tied together. It was the discovery of the legendary Comstock Lode in 1859 and the mineral wealth that was developed in Virginia City that contributed to the growth and expansion of San Francisco. It placed Nevada on the map. Two years later as the Civil War began, it helped to finance the Union cause. During that war period, our own statehood was first considered.

It is an interesting footnote to recall that the first effort in adopting a constitution for the State of Nevada was unsuccessful, rejected by the people in the State of Nevada because of the manner in which mineral and mining activity was treated.

Nevada came into the Union in 1864, and for the better part of the next decade and a half the mineral industry flourished in Nevada. In the latter part of the 19th century mining declined, and as its fortunes ebbed so too did the fortunes of the State of Nevada.

There was a second resurgence of mining activity in the period right after the turn of the century. This activity was located in central Nevada in the historic mining towns of Tonopah and Goldfield. For the better part of a decade this mining activity contributed greatly to the economic activity in our State.

The third era, the modern renaissance, if you will, of mining began just in the past decade. So when we talk about mining in the State of Nevada we are not just talking about the history of our State, or the origins of Nevada statehood, but for thousands and thousands of people who reside in rural Nevada, mining is the principal economic activity in those communities. It is of vital importance to their economic health, and indeed is the financial underpinning to the counties and the communities in that area that provide essential services for those citizens.

My senior colleague this morning took us through a very definitive description of the importance of gold mining to our Nation, not just for the ornamental purposes—since the dawn of history men have sought gold and have fashioned it into ornaments of art—but for its most modern significance as being essential to industry, to our national defense effort, to our activities in space, and indeed, to the high technology activities of the future.

Mr. President, I think it is important, however, that this issue not be framed solely in the context of gold mining. The 1872 mining law, the underpinning for hard-rock mining exploration in our country, deals with a host of minerals. We are talking about such minerals as aluminum, antimony, beryllium, cadmium, chromium, cobalt, lead, magnesium, mercury, tantalum, titanium, tungsten, and a host of minerals.

Mr. President, I ask unanimous consent that a partial list of these essential critical elements, minerals, be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Bureau of Mines]

MINERAL COMMODITY SUMMARIES, 1992

Aluminum, Antimony, Arsenic, Asbestos, Barite, Bauxite, Beryllium, Bismuth, Boron, Bromine, Cadmium, Cement, Cesium, Chromium, Clays, Cobalt, Columbium, Copper, Diamond, Diatomite.

Feldspar, Flourspar, Gallium, Garnet, Gem Stones, Germanium, Gold, Graphite, Gypsum, Ilmenite, Indium, Iodine, Iron ore, Iron and steel, Kyantie, Lead, Lime, Lithium, Magnesium.

Manganese, Mercury, Mica, Molybdenum, Nickel, Nitrogen, Perlite, Phosphate rock, Platinum, Potash, Pumice, Quartz, Rare Earth, Rhenium, Rubidium, Rutile, Salt, Scandium.

Selenium, Silicon, Silver, Soda ash, Sodium sulfate, Stone, Strontium, Sulfer, Talc, Tantalum, Tellurium, Thallium, Thorium, Tin, Titanium, Tungsten, Vanadium, Yttrium, Zinc, Zirconium.

Mr. BRYAN. Mr. President, this issue is often debated in the context of regional interest. There is a reason for that, Mr. President. If one looks at the map of the United States, it is readily apparent that 12 States, all of which lie roughly to the west of the 120th degree meridian, part of the great American West, 12 States, produce 75 percent of all the U.S. States metals that are mined.

That is an important reason for us as a region and for us as a Nation to rightly be concerned about a fundamental change in the mining law of 1872 that has served this Nation, in my judgment, rather well for the last 120 years.

Nevada is known for its gold and silver production, and less well known is its copper production, which has sustained the economy in Ely, a small community in the northeastern part of our State, and sustained that community for the better part of this century, into the late 1970's.

Nevada also possesses substantial sources of molybdenum, lithium, tungsten, iron, gypsum, and a variety of specialty minerals, all of which are important strategic metals. Many of these resources are largely undeveloped, but will become important to Nevada and to the Nation in the future.

We also have active exploration for platinum. Total nonfuel minerals produced in Nevada in 1990 approximated $2.6 billion, about 12 percent of the total gross State product in the State of Nevada.

We, as a State, produce more than 6 million ounces of gold, about 62 percent of the entire production in the United States, and about 11 percent of the total gold production in the world.

Nevada's gold production reduces the Nation's trade deficit, since we are a net exporter of gold. The mining companies have invested $5 billion in Nevada in the last 5 years alone. Employment in this industry has increased from 6,000 jobs in 1985 to a peak of some 16,000 jobs in 1990.

State and local taxes paid by the mining industry have increased from $21 million in 1986 to about $90 million annually. Thus, mining, as I have pointed out, has not only a historical significance for our State, but it is an integral and critical part of the State's economy today. It is one of the few sources of ongoing direct investment in the rural communities of the West and is an important source of State tax revenue, jobs, and raw materials to fuel the economy.

The mining law of 1872, unfortunately, has been a source of controversy for a number of years. Much of that criticism, Mr. President, in my judgment, is misplaced. Few people really understand the way the law operates, and there are a few isolated cases of abuse.

Typically, the well-advertised misdeeds of a few are frequently used to lay down an indictment against the entire industry. It tends to color public opinion and get people emotionally responding to a situation which we recognize must make some change. Those changes, which I am going to address in a moment, are included in the amendment which my senior colleague and a number of us are offering before the Senate this afternoon.

My dear friend and able colleague, the distinguished senior Senator from Arkansas, has raised fundamental questions over the years about the mining law of 1872.

I think it is fair to categorize his concerns in three areas:

One, he says, in effect, the American taxpayer does not derive fair benefit as a result of the mineral activity that is permitted under the mining law of 1872 on public lands.

May I say, with respect to all of my colleagues, no Member of the U.S. Senate has a greater concern or sensitivity for the use of public lands. In Nevada, 87 percent of the entire land mass is owned by the Federal Government and is administered by one or more of the Federal agencies. Of the remaining 13 percent, some of it is used for State, county, and municipal purposes. So we have a relatively small tax base in terms of the amount of land available to us in our State that is under the ownership of the private sector.

Let me speak, if I may for a moment, to the criticisms which my colleague, Senator BUMPERS, with whom I have joined in common cause on a number of issues on this floor, as it relates to the impact upon the Federal budget—most recently, the superconducting super collider.

Senator BUMPERS says that, in effect, we ought to have a royalty system, because he says that is what we have for oil and gas, and the hard-rock mining industry ought to be treated the same way.

Let me say, Mr. President, that that has a facial and superficial resonance. It sounds sort of reasonable. What is sauce for the goose is sauce for the gander. But let me point out that there is a fundamental difference between the underlying public policy rationale for oil and gas and hard rock mining.

The premise with respect to the treatment of the leasing of oil and gas is based upon the premise that there is a front-end capital expenditure. In fact, when drilling and erecting the oil rig, if one is successful in locating a body of oil, in effect, the process thereafter is simply to extract from that same source.

With hard rock minerals, you have a totally different situation. There is the front-end cost, and it is substantial; about $500 million today in Nevada is the average cost of getting into a producing mineral operation. But rather than having that front-end cost eliminated at that point and simply extracting the resource, there is an ongoing capital expenditure as you move into the ore body, and it is a very capital-intensive and very expensive operation.

Moreover, there is a vast difference between the scarcity of hard rock minerals and oil and gas.

Let me invite my colleagues' attention to just a few points that I think illustrate that.

Copper. Thirteen mines produce more than 95 percent of all the copper produced in America—13 mines.

Lead. Nine mines, less than 10, produce all of the primary lead mined in America.

With respect to gold, 25 mines yield 75 percent of the total produced in the United States.

With respect to zinc, 25 mines yield 99 percent of all the zinc produced in America.

With respect to iron, about 10 mines yield 99 percent of all the iron ore produced in America.

Compare, if you will, the rarity of hard-rock mineral occurrences, as illustrated by the foregoing example and the situation with respect to oil and natural gas. The domestic oil supply of the United States comes from 606,890 oil wells, on land, or on the Continental Shelf.

Natural gas. The domestic natural gas supply of the United States is produced from some 257,279 gas wells on land and on the Outer Continental Shelf.

So, Mr. President, I suggest to you that there is a fundamental philosophical reason why oil and gas are treated differently than hard rock-mineral exploration, and the law dating back to the 1920's recognizes that.

My colleague and friend from Arkansas talks about revenue. I am concerned about that. I know the Presiding Officer sitting in the Chair this afternoon has addressed much of his energies to this since coming to the U.S. Senate, because of his concern about the Federal deficit and our budgetary policies. Suffice it to say that those who have studied and examined the issue believe—and the reports so conclude—that if a royalty system were adopted it would discourage mineral exploration; we would have substantially less activity and, in effect with, a royalty system our revenues would not be enhanced as I know is the hope and expectation of my friend, the distinguished senior Senator from Arkansas, but Federal revenue would be reduced a net loss, if you will, of $80 million.

So both in terms of philosophy as to why hard rock minerals are treated differently from oil and gas, there is a valid distinction in the public policy treatment of those two fundamentally different commodities and with respect to the revenue expectations.

So a royalty system would discourage exploration and would not accomplish the purpose that the senior Senator from Arkansas intends.

Mr. President, the senior Senator from Arkansas points out that a great number of these mining activities are foreign owned. He is correct. I wish that were not the case. As an American citizen and one who is interested in the success of American industry, I wish with respect to the mining industry we would have seen more entrepreneurial spirit and that these companies would have been 100-percent owned by American companies. I wish that were the case. It is not.

But it certainly served no purpose, in light of the criticality of these minerals, in light of the economic activity generated in many States across the West, and in terms of our own long-range objective to be competitive in a number of high tech industries in which these strategic metals are so important. It makes no sense when we are a net exporter of gold and other minerals to make ourselves more dependent on imports than we are today. That simply does not make sense, notwithstanding the concern that he has expressed and my own wish that indeed we had more American companies involved in mining activity.

Mr. President, another argument that my friend from Arkansas makes—and he points out and he shows how the landscape has been scarred by mining activities across America. He is right. But those are examples that ought to be in a history text of America included with other environmental litanies of horror in which the practices of the past—not continuing practices—have led to these kind of conditions. And none of us who support essentially the parameters of the mining law of 1872, together with the amendments proposed by my able senior colleague, would defend that kind of result. We do not. But it is misleading to suggest that this is an ongoing situation.

Mr. President, since the enactment of the mining law of 1872, approximately 20 significant pieces of environmental legislation have been enacted by the Congress which apply to mining activity, and they should. So the situation which my friend laments and which all of us lament is not an ongoing concern and cannot occur again.

So all of the references to Superfund are totally inappropriate for this debate. They simply have no relevance. Those are problems of the past, not continuing problems.

Let me discuss for a moment, Mr. President, the amendment that we are asking our colleagues this afternoon to support. It addresses three of the fundamental problems which exist with the mining law of 1872. My colleagues will recall in years past the Senator from Arkansas said, "Look, companies that seek to explore for mineral potential on the public lands in America pay $2.50 an acre. That is wrong." He argues that is a ripoff of the taxpayer, and he says that requires fundamental change. The amendment being offered today addresses that situation and says, rather than that evaluation of $2.50 or $5 per acre, depending on the types of claim filed, in effect we ought to have a fair market value. That is reasonable; a company ought to pay a fair market value for that claim, and indeed some of the examples that have occurred are indeed indefensible and none of us who support the law of 1872 would attempt to defend it. Under the present law, once a patent has been secured—and it can be filed only on the basis of demonstrated provable mineral resources—if the patentee thereafter chooses to use that land for another purpose it can be converted and used for development, as an example, of resorts and other things. That is fundamentally wrong. It should be changed. This amendment does it.

The amendment that we have asked to be adopted today says that with respect to those patentees who are no longer using that land for mineral purposes and seek to use it for another purpose, the Federal Government, in effect, has a reversionary interest and that land reverts back to the Federal Government, as it should. The taxpayer is thereby protected. No longer can there be these isolated examples of abuse, which have embarrassed I think many in the mining industry, who are legitimately seeking access to the public lands solely for the purpose of mineral exploration, not as part of any concealed effort to gain access to secure a patent and then convert that property into some type of unrelated mining commercial development, that abuse will be ended.

Finally, with respect to reclamation, another concern raised by our friend from Arkansas, the amendment that Senator REID and others of us have put together addresses that issue and it says that if a State does not have a mining reclamation law—and I might add parenthetically that Nevada has such a law enacted within the last 2 years. It is a good piece of legislation. It is working well. I can attest, as my colleague from Nevada has, that I have gone to a number of the mining operations in Nevada that have been approved in the last 7 or 8 years and I must say that there is an environmental sensitivity and a recognition that these kinds of problems which have existed in the past cannot be allowed to occur in the future and the mining reclamation law of Nevada makes sure that is not the case.

But the amendment, Mr. President, goes even further, and it says that if a State fails to enact such a reclamation law there is a Federal reclamation requirement to make sure that indeed that land be restored to as close as possible its condition prior to the mineral activity.

Mr. President, I think fair-minded Members of the Senate would have to recognize that this is an honest effort made to address some legitimate concerns that have been expressed over the years by a number of colleagues. It addresses the issue of air market value, and it does so consistent with practices that exist with respect to the acquisition of other property that is acquired by private interests. It addresses the problem of the reversionary interest and I think it does so reasonably and responsibly and, finally, with respect to the reclamation, that is something that all of us need.

Mr. President, much of this that I have heard from my friend from Arkansas simply is irrelevant to what we are talking about today. It recognizes some of the historical excesses and abuses. No one here defends that or suggests that ought to be allowed to occur. But, as I have indicated, contemporary environmental law prohibits that and the new reclamation requirements which will be a part of the law if this amendment is offered would go even further to restore the area used for mining once that period of use has expired.

Mr. President, I yield the floor and thank the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, while other Senators are coming to the floor to speak in favor of this amendment—I have been given a list of seven or eight Senators—I will say a few things, but I would hope that those Senators who wish to speak on this amendment would come forward. I have been informed by some Senators that unless something moves along there may be a motion to table my amendment.

So I hope that individuals who wish to speak in favor of this amendment will come over to the floor and proceed to do so.

While they are doing that, Mr. President, let met just say a few things in response to the distinguished Senator from Arkansas, who has opposed this amendment.

First of all, there is wide support for this amendment. For example, the National Association of Counties—every Senator has in his or her office a statement from the National Association of Counties, which arrived today, saying, support the Reid amendment; School Board Association, support the Reid amendment, for obvious reasons, as all around the world, the ability to obtain revenue from mining operations is done on a local level. It is done in Australia, it is done in Canada, as we outlined this morning. That is why the counties want my amendment to pass, because they know it will stop the statements that are not factual by my friend.

I also suggest to those that are participating in this debate and listening to this debate, that if you listen to my friend from Arkansas, you have to be careful in what you hear, because during the same sentence he will talk about unpatented claims—he said there is over 1 million of them, and that is right—and in the latter of the sentence, the second phrase, he will talk about patented claims, two totally different problems.

The chairman of the Appropriations Committee, with opposition from almost all western Senators, opposed the holding fee. We opposed the holding fee. The chairman of the committee has in this bill a holding fee that applies to unpatented claims of $100 per claim. It will bring to the Government about $50 million. That is how it is scored in the bill. But remember, there is a difference between patented and unpatented claims.

My amendment applies to patents. And, as I said this morning, last year, around 20 were issued in the whole country.

Anything that we try to do is not enough. My friend from Arkansas will not take yes for an answer. We have language in our amendment that we took from his legislation, and he still says he does not want it. I do not know if it is pride of authorship or if he just does not want any mining to take place.

Now, there has been some talk by my friend from Arkansas that the Black Cloud Mine is a Superfund site. Again, everyone listening understands it has nothing to do with the debate before this body. The Black Cloud Mine was dug in 1895. And as I indicated this morning, there is no question some of these old diggings have created problems.

In Nevada, I indicated there is mercury in the Carson River. And what the EPA is now doing is trying to find out if there is a mining company still available that could react to the Superfund and pay. Otherwise, the taxpayers will be called upon to pay those moneys.

But do not compare a 1895 hole with a hole that is dug today. They are totally different. Do not be confused because of that.

Mr friend from Arkansas talks about fair market value being $100 a claim. I said, "Where did you hear this?" He said, "Well, the BLM said something."

All I know, Mr. President—and I see my friend from New Mexico here and I will be happy to yield to him in just a few minutes—I do not know where my friend from Arkansas got his information.

Here is the information that we have: Estimated total surface values of land patented under mining law in fiscal year 1991—these are approximate values listed by each State, the number of patents, number of acres, dollar per acre. What are some of the patents. This is 1991. In Arizona, two of them, the appraised value of the land is $3,500 an acre, not $100 an acre.

Again, my friend from Arkansas will not take yes for an answer. He has talked since I have been in the Senate about $2.50 and $5 an acre. We want to change it. He will not let us change it. He is opposing it. Incredible.

Then he says, "Well, you got fair market value in the land in your amendment, but we do not want fair market value." I do not know what he wants. But the fair market value is more than what he said: $3,500 in Arizona on two claims; California, in their patents, one, $6,000 an acre, another $12,500 an acre; Montana, $1,750 an acre.

I have other things to say about this, and I intend to do that before this debate is terminated.

I see my friend from New Mexico, a cosponsor of this amendment, is here. I am happy to yield to my friend from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Senator from Nevada.

I am very pleased that the distinguished chairman of the Appropriations Committee, Senator BYRD, is on the floor, because I very much appreciate the opportunity to try to make a convincing case to him. He would be a Senator that has no specific interest because he does not have public domain land like New Mexico, Nevada, and Utah.

I would like to break this argument into two parts. One the environmental part and one the economic part. I am not at all sure that I need to spend a great deal of time on the environmental part, but I would like to state the sequence of events and what brings us to the floor here and some misunderstandings regarding the environment.

I say to Senator BYRD, the mining law of the United States is a very ancient piece of legislation.

Some will come before the Senate, as they have, and put up pictures of the days past and talk about the reform of today as if it should be directed at the scars of the past.

So let me quickly dispel any notion that a new mine in the State of New Mexico or the State of Nevada or the State of Utah, under any conditions, can look, like those mines, those mine sites of days past argued about by the distinguished Senator, Senator BUMPERS. With those mines that are shown all over American television as evidence that the mining law today does not work, they are talking about a mining law without any environmental laws in place.

So that a mining company, Jones Inc., went into Colorado 60 years ago and found copper. They abided then and there by all the laws that existed then. There were no reclamation laws, I say to my good friend, the chairman. There were no clean air laws. There were no planning laws required with reference to drainage and the like from the surface.

So, suffice it to say that an unreclaimed, filthy site of 60 years ago that still exists in the mountains of Colorado is not relevant to what is going on today. There will be no such trash left behind.

In the State of New Mexico there is a molybdenum mine. Needless to say, I might suggest, if we would have had the 8-percent royalty on the molybdenum mine—and I will do the economics in a moment—that molybdenum mine would have closed 20 years ago because there is so much competition in molybdenum. It was a touch and go situation for 300 to 500 workers in New Mexico producing molybdenum.

You add an 8-percent royalty because they charge it someplace else, and they close.

But, when they finally close that mine for economic reasons, they will clean up everything and there will not be a Senator down here in 30 years with a map and a picture, saying to the next generation of Senators, "You see, we need to charge somebody today to pay for the past, because that molybdenum mine needs cleaning up"—because it will be cleaned up.

So, first, all environmental laws of America apply to mining today. In fact, I have urged that we put a preamble to these amendments and say "The following environmental laws are incorporated by reference."

It is said you do not have to, they apply. I agree. But those who oppose mining on the public domain—and the chairman must know, look around and see America polarizing—there are many who say do not mine on the public domain. I regret to tell my colleague that some of those who are speaking for reform would like to make it so difficult that that fourth use of the public domain, along with grazing and logging and hunting—that one for mining, they would like to close it down.

I think we are talking to somebody here who understands you do not close down the hard-rock mining industry of America and expect to have a balance of payments on the plus side with the world, because then you can go ahead and import all your copper; you can import all your gold; you can import all your molybdenum; you can import all your titanium, because the public domain has been the source of strength for our country. And that was our forefathers' thought, that if that public domain could make us strong and yield these minerals, let us do it. And I assure you in my State the best paying jobs today are the mining jobs. And they are not underground mining in most cases so they do not have the horror stories that come to mind when we speak of mining, as they do to the mind of the Senator from West Virginia immediately.

So, first of all, it is only to remind us of what we should never do again that the pictures of unreclaimed mines are relevant here today.

Interestingly enough to the Senators from the Western United States, and principally the Southwestern, where the hard-rock mining industry of America actually lies—that is the place that procures things—we are here today offering a set of reforms that 10 years ago nobody would have brought to this floor. So we appreciate the pressure that has come upon the mining industry and our States from those who want cleaner places, want to keep our forests and minimize the damage.

What we have done is dramatic. And when somebody comes here and says there is no reform—well, there is enough reform on this $100 per filing per year to yield $52 million new money to the Federal Government. All by itself, it will scare off thousands of prospectors who are doing it as a hobby. But it will not scare off those who are serious. Because if they are seriously looking they will take a risk and $100 will be paid to the Federal Government for the right to look upon that 20 acres. So that is the No. 1 reform; pay more, do it more seriously, do not do it randomly.

Point No. 2, when this old mining law was passed, the U.S. Government, President, Senators, thought the best policy for the United States was to get the minerals out of the ground. So they said give them a patent when they have done all this work and then it is theirs. There were a lot of reasons for patents. I think we would understand, if you are in the mining business and you are finally going to build some real facilities, you probably borrow some money. And the point of it is, with a patent you are mortgaging your property, with a mining claim there is a little different way to get your mortgage money.

However, there have been some abuses. Although I will suggest that the horror stories of abuses have been greatly magnified. There are not a lot of mining land claims being deeded over under patent. The numbers have been given. There are very few—hundreds per year, of acres, maybe into 3,000 out of these millions of acres, and thousands which claims are on.

But the case is made that you should not take a patent for $2.50. So the second reform is if you get a patent, you have done all the things that entitle you to it, pay the fair market value. We have done fair market value on our forests, on BLM land, and we know how to go get appraisers, and you argue about it but you end up paying a lot more than $2.50. That is point No. 2.

At one point that was the hue and cry of those who wanted reform: Make them pay for it. We did it.

But you see what happens, I say to my Senator friends, now, in the United States, when it comes to environmental laws, we have adopted this philosophy: Anything worth doing is worth overdoing. So you see now we have said we are going to have fair market value. But some say more, more. So we even went further in this amendment, in the Reid-Domenici amendment.

Listen carefully. We said you can get title when you have done all those things entitling you to it—that is the patent—but you will never be able to use this for anything but a mine because, you see, in a few cases the mining company gets the land and then they sell lots to people, and in the middle of a beautiful forest is a subdivision.

I do not want that. Anybody who says I am not for reform, that I want that—private inholdings in national parks and forests I do not want that. So I suggested that we go one better and we have now. As fellow lawyers I will suggest to my colleague what we have done. We have said the patents, henceforth, in the future, will have a reverter clause in them. Reverter is very, very simple. If you ever stop using the land for mining, the fee simple title absolute reverts to the United States of America.

If that is not going to cure the problem, that there are going to be no hotels built on these lands, no motels, you are not going to move your house up there and say I have a mining title and I am going to build something for my children to go up and recreate and spend $200,000, you do not get any mortgage on that anymore because the title will be encumbered with a reverter clause.

If that is the case, what I have just said, they are paying for more than the

land. It is going to go back to the Government when you stop using it, which means you cannot use it for anything but the mining activities.

And then somebody says, well, there may be a State that does not have reclamation laws. I regret coming to the floor of the Senate and telling the Senate my State is one. It does not have any reclamation laws for hard-rock mining. I regret to tell the chairman, the State of Arizona does not.

So some would say no patents, even with the reverter, because if you get title the U.S. Government's reclamation laws no longer apply. So we said OK. We do not want anyone to escape reclamation. This amendment says if there happens to be a State that does not have reclamation laws for hard-rock mining, then even in the patent stage the reclamation laws of the U.S. Government apply to that land. That can be doled out by the forest rangers and it will be managed by them, just like they are managing it today.

I do not think we can do anything more than that with reference to saying it will be reclaimed. We will not do harm to the forest. If there are real minerals worth mining for America, for American workers and America's balance of payments, you are not going to end up with abuses by way of use. Once you are finished mining in a way that meets the standards of environmental cleanup, you get off the land. That comes back.

I do not believe we could do any more by way of reform. And I remind everyone we are living in an age that anything worth doing is worth overdoing. So people want more—this is not reform—it is not enough—Senator REID is not doing enough, where 10 years ago we would not have thought of this.

On the issue of whether you ought to tie rights or taxes to environmental problems with hard-rock mining on public domain, I want to just start by quoting from—this is how it is stated. I will assume it is right. It says—this is written by John D. Leshy, an activist, working to reform the general mining law of America, as referenced in his book, "The Mining Law." And I quote a very short statement:

> The lack of rental royalty does not mean that the Federal Government receives no return on its minerals.

This is the activist for reform.

> The various tax consequences of mining are too complicated to deal with here. But hard rock mineral development under the mining law, like any income—producing business, eventually produces direct or indirect payments to Uncle Sam.

End of sentence, start of last sentence.

> The argument for greater revenue return is thus not an overwhelming argument for reform of the mining law.

Now if I heard the opponent of the Reid-Domenici reform correctly, it was stated that one of the overwhelming arguments for reform included fixing royalties. An actual environmentalist who knows all about this has clearly indicated that should be distinguished because there are other indirect and direct benefits that come to a country—Uncle Sam—from mining.

That leaves us with why would we now at this stage of the industrial revolution in the United States put a royalty on hard rock mining on public domain? One argument: Tax the mining companies today because we want them to pay for the pollution of the past.

Mr. President, because the Superfund is having to pay for the pollution of the past does not mean that the mining companies of America today escape paying for the pollution of the past. The problem is, Mr. President, that the mining companies that did the polluting are not around anymore. There are not even successors in interest, because if they found them they would get them under the Superfund. That Jones Mining Co. that polluted that piece of Colorado that I hypothetically referred to is not around anymore. In fact, under the Superfund, they are even looking to see if there is a 95-year-old member of the board of directors, and if they find them they are suing him because they are liable.

Now listen. Should we put the current hard rock mining industry in economic straits, maybe even breaking them, closing some because we want to make them pay for the sins of the past? Frankly, I would answer that question not only no, but I would answer it with a no with some emphasis before it that I cannot say on the floor of the Senate.

However, we have done something like that with the environmental laws, but I submit we are learning some lessons about taxation in the name of environmental cleanup, and now we ought to learn in advance what we are going to do to this industry.

So let me suggest that if ever there was a time you should have put on royalties for this it was when there was not any competition in the world for hard rock mining resources. There is plenty today. And contrary to what has been said, our major competitors, including Canada, have no national government royalty imposition for the mining of hard rock in their country. I would be delighted to put a statement in the RECORD on that.

There may be some local taxes, and we have plenty of local taxes. But the remaining argument, even if one says we surely should not tax some industries today in a willy-nilly manner to pay for the sins of the past, one might say, well, they just ought to pay it.

I will be very pleased to put an argument in, which I will not even state. If Newmont Mining was used as an example because there is a private landowner involved and they are paying royalties—I would be pleased to put in the RECORD and not burden the Senate with it—that if you can find a new mining situation in America or on the public domain, tax it. The truth of the matter is, it is a one of a kind. It is private property owners who had a mother lode on the property, everybody knew it was there, there was no risk, you did not have to do a thing, and so you kind of split the profits.

I tell you, that does not exist in the gold mines in his State, it does not exist in the copper mines in my State, and it does not exist anywhere that I know of, where miners and mining companies are trying to get hard rock out of the ground.

The distinguished chairman, and this Senator were privileged, served on the Budget Committee that produced the 5-year agreement. People criticized it. They did not have to go put it together. They did not have to go through what we did. The only thing good out of that is that we were fed rather well.

However, we did something in the name of gaining revenue and proving a point. Do you remember the luxury taxes? We said: Let us tax the yachts because, after all, the yachts can afford it. I will soon tell you the industry cannot afford it. But let us just follow the logic that they could. In the name of taxing the yachts because they can afford it, the very same people who clamored to do that are very anxiously waiting for an opportunity to repeal it, and it has not been a decade. It has been a couple of years.

In fact, the tax bills that are coming down here, those who put on that luxury tax do not even want to speak of how it all happened, they just want it to disappear. Guess why? Because that tax lost money. Because when you did not buy any new yachts, they did not hire any people. And we had ports in northeastern United States with places that made and maintained these with hundreds and hundreds of people out of work.

We learned a little bit of a lesson that to tax because they could afford it put lots of people out of work because people stopped buying yachts and big boats and, lo and behold, the same people who wanted to tax them are here trying to undo it quietly, because at home the unemployed people are clamoring to put themselves back to work building yachts and maintaining them. Now that is the practical effect.

Mr. President, it is not as if there has not been time to study the effect of what Senator BUMPERS wants to do by way of royalties because that idea, and some more, have been around for quite a while. So you would expect a good close look at what it is going to do to the jobs in the States that produce hard rock minerals now and in the future.

I submit that the revenues that our States and our Federal Government are

getting and that the private sector is earning because of the things that are bought for the hard rock mining deserve our attention, because in the name of picking up royalties to pay for the sins of the past, which is what I understand one justification for it is—why should the Superfund pay—why should not the mining companies pay when the mining companies are not around anymore, because if they are, they are paying. And do not worry about the effect on the thousands of workers, the millions in revenues to our State and, yes, a few billion in indirect revenues to the Federal Government of the United States. None of that even gets to the issue of us having copper that is ours and silver that is ours and gold that is ours instead of importing it.

There has been a major study done of the effect of the royalty. It is a Coopers & Lybrand study. It says we will lose 30,000 jobs in mining and related activities. It will cost the Government, not make for the Government, $230 million a year in lost revenue. It will cost the Western States as much as $3.8 billion in lost economic activity. This loss means lost taxes, sales, property, production, excise taxes which States and local governments depend on for schools, hospitals, local communities, and the like.

States will lose $800 million in earnings. In the end, will taxpayers be willing to replace what was a dependable source of revenue? I do not think so.

Now, I urge that we leave the reform that is contemplated in the Reid-Domenici amendment, that we let it work its way. Let us see what it does to the contentions that there is abuse of the public domain. I think they are all taken care of. But we are not going to take care of the 50-year-old abuses. If there is anyone around liable for those, they are going to be made to pay for it. But do not expect today mining industries which pay wonderful salaries to working men and women in America—and none of them are super rich.

I can say to my friend, the State of New Mexico had the largest open copper pit in the world known as Santa Rita Mine. It was a placer mine when it started, Federal land, patented years ago. Seven, eight years ago, I was constantly on the floor trying to protect copper produced in America from cheaper copper produced elsewhere. They did not go broke, even though they did in the Midwest; Kennecott and others closed their mine in some of the other States. Ours, they stayed alive by the skin of their teeth, and then they found more efficient ways to produce and they are alive today.

Put an 8 percent royalty on top of that competitive situation and you would have Santa Rita closed down 8 years ago. The 1,400 miners working there in the State of New Mexico at an average pay of $28,000 a year, which is excellent pay in our State, with good fringe benefits and the other things that go with it, living in a beautiful part of New Mexico, they would be gone. And you would say, "We got some royalties, though." Of course, you do. Just about enough for all of them to be put our of work.

Now, I want to close by saying it does not matter what royalties you put up on a chart and say that coal pays this, and there is a Newmont Mine where a private company, private property owners got a royalty. You are talking about the entire hard rock mining industry of this country, or at least 98 percent of it. And without exception you are saying, if you were close but you are hanging on, "Goodbye."

And I just suggested that no case can be made to do that in the interest of the environment, because the environment will be taken care of by the other reforms. And I need not quote John Leshy again, who says that is not the issue in the environmental cleanup. It is not the issue of royalties and direct taxes. You do the environment another way.

I do not want to wear my welcome out, but I believe the truth of the matter is that if we were to defeat the Reid-Domenici amendment and adopt the Bumpers amendment, which puts this royalty on top of all the other burdens they have today of compliance with all the environmental laws, we have effectively said to the American West, the multiple-use concept of our public domain which served us well in the times we did not even have competition in the world, we are going to just put a noose around your neck at the time when you really have competition in the world because we very much would like to import more of the hard rock minerals from elsewhere and not have it produced just so we can strut around and say we made them pay royalties because it is on the public domain, as if we did not get much from the business, from the jobs, the purchase of equipment, and the taxes which I have alluded to that are enormous.

Now, put some more on—$380 million—like nothing. They will all keep on producing.

I think you are going to get the yacht situation personified, but you will not come down here and repeal it because you will not know about it like you do with the yachts because it will just gradually, that quicksand will just gradually seep up on that mining industry and there will be all kinds of reasons offered. Some group will come in when one closes and say,"Oh, no, they were inefficient." Another one will close and, "Oh, no, they didn't abide by environmental laws." But what it will really be is we decided arbitrarily from the gross revenues now, they are losing money, they still pay it. Not a nice thought—that we have to put the royalty on because it just seems like we ought to.

I think we made a good case. I think we have dispelled some ideas that are not true, like there is no reclamation law today, there is no environmental cleanup required today. That is shown by putting these relics of the past up before us when there were not any laws. Of course, they are out there.

So I am hopeful that for those who might have been on the fence on this issue, they will lend us that good ear and think it through and not make that adage of, "Anything worth doing legislatively is worth overdoing"—not letting that apply to the thousands of miners in America who want to make a living to take care of their families.

I yield the floor.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

FREEDOM OF CHOICE ACT

Mr. MITCHELL. Mr. President, over the past few days I have received several inquires from Senators and from members of the press about the status of the Freedom of Choice Act. A number of incomplete and inaccurate statements and reports have been made in recent days. I take this opportunity to clarify the matter and to set the record straight.

For months, up to and including this week, it has been my intention to make every effort to bring the bill before the Senate during this legislative period. I was and am aware that opponents of the bill have the intention and, under Senate rules, the right to filibuster in an effort to prevent the Senate from ever considering the bill.

But that is a common occurrence in the Senate, and I am ready to proceed to see if there are 60 Senators willing to vote to consider the bill.

However, on Monday evening, I met with four Senators who are principal sponsors of the bill, and with the representatives of six of the national organizations which are involved in the effort to pass the bill. Those organizations are the National Abortion Rights Action League, the American Association of University Women, the Women's Legal Defense Fund, the National Women's Law Center, the American Civil Liberties Union, and Planned Parenthood of America.

Each of the four Senators and the representatives of each of the six national organizations recommended to me that action in the Senate be deferred until after the House of Representatives passes the bill. This was also the recommendation of the principal sponsor of the legislation in the House, Representative DON EDWARDS of California.

After giving the matter careful consideration, I have decided to accept their recommendation made unani-

mously and not to try to pursue this matter during this legislative period.

It is my understanding that the bill's supporters are working with the House leadership and it is my firm intention that the Senate will take up and hopefully pass this bill this year in this Congress following House action.

Mr. Speaker, I yield the floor.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1993

The Senate continued with the consideration of the bill.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise today in support of the amendment offered by the distinguished senior Senator from Nevada [Mr. REID].

I commend Senator REID at this time for his leadership and his perseverance on this issue, along with Senators BRYAN, DECONCINI, and DOMENICI.

This amendment, Mr. President, is of vital importance to the reform of the mining law as it relates to mining hard rock minerals on public lands.

I recognize the antimining forces that are seeking to repeal the Mining Act and to severely restrict mining have different agendas and probably will not support this amendment in any form.

However, Mr. President, I also believe that these western Senators' proposal is a fair and a reasonable compromise approach to addressing the alleged problems of the mining act that are periodically raised before this body.

This amendment, the Reid amendment, does not repeal the mining law, but will bring about needed reforms without imposing undue burdens on the hard-rock mining industry.

I speak as a Senator from a State east of the Mississippi that does not have the large hard-rock mining industry found in many Western States. Nevertheless, hard-rock mining is very important to my home State of Alabama, as well as the entire Nation.

The industries in the Eastern United States use and rely on the minerals produced mainly in Western States, and many Eastern firms provide products and services to hard-rock miners. Indeed, mining is an important underpinning for our Nation's economy. It is important for our national defense, for helping our trade balance, and for maintaining our competitiveness in the global economy. Our entire country would be adversely affected and thousands of jobs would be lost if western hard-rock mining is crippled by proposals that would gut the mining law and replace it with some questionable new scheme that mining experts tell us simply will be counterproductive.

Mr. President, I have followed this ongoing mining law debate as a member of the Energy and Natural Resources Committee, which has substantive jurisdiction in this area. I believe that the Reid amendment addresses the areas where greatest concern has been raised under the current mining law. If this amendment is enacted, mining critics can no longer contend that public lands are being given away to miners who patent their claims. In fact, patented lands have never been simply given for $2.50 to $5 an acre, as mining opponents have tried to make us believe. If there was a real land giveaway, all of the available public lands would have been snapped up long ago. Patents are very expensive to obtain. If anyone here has believed the reports that these lands are being given away, they will be surprised to learn that the minimum cost of obtaining a patent for a 20-acre mining claim is approximately $38,000—that is minimum cost—and mining claimants often will spend 10 to a 100 times that amount to obtain a patent. Such costs are anything but a giveaway.

In any case, the Reid amendment would require that the mining land be purchased for fair market value. Moreover, the horror stories we have heard regarding patenting lands for nonmining uses would be dealt with by provisions that will require the land to automatically revert back to the Federal Government if the patented land is not being used for mining purposes. The Reid amendment also would guarantee that patented lands are subject to minimum reclamation standards.

All Senators should remember that Chairman BYRDs' mark already contains a $100 annual holding fee for each mining claim. By agreeing to go along with that fee, our Western colleagues have already made a major concession in this debate, and addressed the allegation that the current law is not generating enough revenue off public lands.

However, given the insatiable calls for more revenues that now are sounded so frequently in this body, and given the many wild and misleading allegations that we have heard from those who are attacking the mining law, I must also point out to my colleagues that we cannot balance the budget on the backs of miners, and we should not attempt to do so any more than we should attack farming and agricultural interests in Alabama or Arkansas or New Mexico, or anywhere else. Some have suggested that the panacea for our revenue problems is to be found in imposing royalty on hard-rock mining. But, quite frankly, the hard facts suggest quite the contrary.

My review of the royalty issue suggests that hard-rock minerals are not readily amendable to Government royalties like a lot of other things. Experts have estimated that these minerals are about 10,000 times more difficult to find than leasable minerals—like coal, oil, and gas—and the metallurgy of most hard-rock mineral deposits varies so significantly from deposit to deposit and within a deposit that the costs of treating ore to produce pure or salable concentrate significantly reduces the chances of discovering a commercially developable ore deposit. On the other hand, leasable minerals need little or no treatment, are plentiful throughout the United States, are found in very large deposits and are not nearly as capital cost intensive to produce. As a result, leasable minerals can sustain a Federal royalty and usually still remain marketable at a profit, although the present Federal royalty on coal and oil and gas has caused serious shut down problems in some parts of the South.

A new Federal royalty would have severe negative impacts on our Nation's hard-rock mining industry, and it appears that such a royalty could actually produce a negative Federal revenue impact. A recent study of the effects on an 8-percent royalty gross income of hard-rock mining operations on Federal land demonstrates these potential adverse impacts. Prof. John Dobra's research and analysis in this area has found that such a royalty would result in a dramatic loss of domestic production of gold. An 8-percent royalty could cause 23 million ounces of gold out of a potential 70 million ounces to be lost from production at 22 major U.S. mining properties. This would mean that the amount of gold that could be produced at a profit by these properties would fall by more than 50 percent. This loss of production equates to a gross income loss of over $8.5 billion in these operations alone. A royalty would also cause a severe cutback in domestic exploration, which would result in many more job losses and a greater strain on State and local economies.

Senators should be even more disturbed to learn the possible negative impacts of such royalty on Federal revenues. Professor Dobra's study found that the revenue generated by an 8-percent royalty will be more than offset by declines in corporate and personal income taxes generated by the industry. In fact, when indirect costs are added due to the loss of production and jobs, the royalty would constitute an economic disaster for our country. Mr. President, I ask that a summary of Professor Dobra's findings be printed in the RECORD after the text of my remarks. I am sure that my colleagues will find this information on royalties as troubling as I have, and very interesting to read.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SHELBY. in conclusion, Mr. President, I again urge my colleagues

to support the good-faith compromise proposal being offered by Senator REID and several other Western Senators. The proposed amendment adequately addresses the real problem areas under the mining law, and it does so without severely crippling the hard-rock mining industry. Finally, I would urge that if others seek to add a royalty provision, or a patent moratorium, we should reject those additions as unnecessary and inappropriate at this time.

EXHIBIT 1

THE NEGATIVE BENEFITS TO THE UNITED STATES GOVERNMENT OF ROYALTIES ON HARDROCK MINERALS[1]

IMPACTS ON THE HARDROCK MINING INDUSTRY

An 8% royalty on gross income of hardrock mining operations on federal land would have severe adverse economic impacts on the industry. These negative impacts are best illustrated by referring to the attached modified Figures 14 and 16 of "The U.S. Gold Industry"[2]. Figure 14 shows the long run total cost, over the entire expected mine life, of producing gold at 22 major U.S. mining properties. These mines are expected to produce almost 70 million ounces of gold over their life spans at the cost indicated by the shaded area below the cost line.

The line representing the current average price of gold ($342/oz. June, 1992) crosses the cost curve at approximately 45 million ounces. This means that at the current price of gold, somewhat less than 45 million of the 70 million potential production ounces can be produced at a profit. Even at the gold price on July 29, 1992, of $356 per ounce, less than 48 million ounces can be mined at a profit.

Loss of Domestic Production—The effects of the proposed royalty are shown on Figure 16 where the 8% royalty has been added to the average cost curve (raising total costs to $364/oz.). The line representing the June 1992 average price of gold shows that somewhat less than 20 million ounces of the potential 70 million ounces of gold can be mined at a profit. Thus, the 8% royalty would cause about 23 million ounces to be lost from production, meaning that the amount of gold which can be produced at a profit by these 22 operations falls by more than 50%. This loss is not materially affected if the July 29, 1992, price of gold is used instead of the June 1992 price.

The loss of production of this gold due to the imposition of the 8% royalty equates to a gross income loss of more than $8.5 billion at $342 per ounce, or $8.9 billion at $356 per ounce. This loss would lower household earnings in the states where production occurs by more than $3 billion in the future and severely impact local and state economies that depend on the precious metals mining industry.

Although the impact of this nearly $9 billion loss will not be immediate, it should be noted that the U.S. has approximately 209 million ounces of proven, probable and inferred gold resources. This resource has the potential for over ten times the production used to calculate the $9 billion loss, meaning that the proposed 8% royalty has the potential to cost the U.S. economy in excess of $100 billion in current and future production. Clearly the imposition of the royalty will have a major destructive impact on the hardrock mining industry and local economies.

The result of this lost production will be similar to the impacts to the economy from the drop in gold prices in 1991. For example, Nevada experienced a 10% decline in direct employment as a result of a $20 decline in the price of gold. The proposed royalty would be comparable to a $30 decline in the price of gold. Consequently, it can be anticipated that the proposed royalty would cause the equivalent of an additional 10% drop in employment in the first six months after the royalty becomes effective. Within a year, the job loss would be in the range of 30%, representing a loss of 6,000 jobs.

Exploration Cutbacks.—A second likely consequence of the proposed 8% royalty would be a virtual 100% cutback in domestic exploration expenditures which, in 1989 and 1990 were in excess of $100 million. This cutback will cause additional job losses and a greater strain on state and local economies already suffering from a severe shortage of funds.

While the adverse effect of the proposed 8% royalty would be less critical if the price of gold increased substantially, it would only be so if costs remained static. On the other hand, the effect of the royalty would be far greater if the price of gold were to drop or costs were to increase, trends which have existed in the precious metals industry for the last 12 years.

Unfairness and Inefficiencies.—What this analysis shows is that taxes or royalties based on gross income are extremely unfair and generate inefficiency in the economy. This type of policy—government royalties on gross income—exacerbates the "boom-bust" tendencies of the hardrock mining industry, creating hardships for workers, businesses, and state and local governments. Virtually every modern treatment of taxation in the economics literature advocates taxes (government royalties) based on net income because taxation based on gross incomes produces inequitable and inefficient results. There is no viable economic reason to support the imposition of the proposed royalty.

IMPACTS ON FEDERAL REVENUE

The federal fiscal impacts of the proposed royalty are negative. That is, the revenue generated by the royalty will be more than offset by declines in corporate and personal income taxes generated by the industry. Indeed, when indirect costs are added due to the loss of production and jobs (creating greater burdens on the entitlement and state and local tax rolls), the proposed royalty constitutes an economic disaster for the United States.

In 1991 annual average spot prices, gold and silver production had a gross value of $3.7 billion (current GAO reports indicate that this amount will be only $1.2 billion for the current year, indicating the already declining amount of production due to continuing depressed metals prices). Based on the 1991 gross value, the proposed royalty would raise $300 million; based on the current GAO data, the proposed royalty would raise only $96 million. On the basis of actual experience, the long run impact of the proposed royalty at current prices would be to cut production in half after several years. This would result in approximately $150 million of revenue raised by the proposed royalty on gold and silver production, or only $48 million based on GAO figures.

These revenues are offset by the loss of revenue in the form of personal and corporate income taxes paid. The proposed royalty would be deductible for purposes of determining corporate income tax liability, and therefore the taxes paid on the corporate income would be lowered commensurately. The survey of the 22 major hardrock mining companies shows that they paid approximately $120 million in federal income taxes in 1991. The effect of the proposed royalty on both the level of production and the calculation of taxable income would be a tax revenue loss of about $70 million, leaving only $50 million of tax revenue actually received by the U.S.

Using the U.S. Department of Commerce RIMS multipliers, 1991 gold and silver production is estimated to have increased household earnings (individual income) by $1.6 billion. If production is reduced by 50%, this would result in a decline of $800 million in taxable individual income. Assuming an average effective federal personal income tax rate of 20%, this would reduce federal revenues on personal income by $160 million. Hence, as shown in the table below, the revenue raised by the proposed royalty would be more than offset by a decline in tax revenues, resulting in a direct net loss of the federal treasury in the amount of $80 million.

[In millions of dollars]

Royalty income	$150
Change in corporate income taxes paid	(70)
Change in individual income taxes paid	(160)
Net Revenue (Loss) to the Federal Treasury from the proposed royalty	(80)

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska [Mr. STEVENS], is recognized.

Mr. STEVENS. Mr. President, I am sure it comes as no surprise that I support the Reid-Domenici amendment. I think that it provides for payment of fair market value for patented land, it provides reclamation concepts for States without it, and provides for a reversion. I might add that I have proposed parts of this. It provides a reversion for lands that are currently not in the process of being patented. I will have a little bit more to say about that later.

I do think this is a good-faith attempt as we promised last year—when we sought the Senate's help to table the Bumpers amendment last year—to try to resolve the problem. But I want to talk a little bit about what is going on here. I would like to get into some of the history.

As I said previously, I regret deeply that I do not have the capability that my good friend from West Virginia has in that regard, to have within my ability instantaneous recall of the history that I have learned, but I do have some of it here before me. I hope that the Senate will be interested in the history of royalty provisions that have been attempted in the past by the U.S. Congress.

Let me first address why we are here. For 3 years now, the Senator from Arkansas has tried to impose a moratorium on the issuance of patents. In other words, regarding the mining

[1] Excerpted by M. Graig Haase from a June 25, 1992 memorandum from John Dobra, Professor of Economics at the University of Nevada, Reno, to Michael Brown.

[2] Dobra, John L. and Thomas, Paul R., Executive Summary "The U.S. Gold Industry", 1991.

processes under the 1872 law, he has tried to stop those at the end of the pipeline, and say that after they have earned the right to title, the patents would not be issued; that past amendments were to prohibit the expenditure of funds for the simple purpose of administratively processing the patent which really is a deed, Mr. President. I said before, a patent confuses some people. What it is a deed issued when a minor has complied with the basic mining law of 1872.

This time, the Senator from Arkansas has brought us an entirely different concept, because it not only prohibits the expenditure of funds on accepting or processing patent applications—mind you, it now says "accepting" them. You cannot even accept them now to initiate the patenting process. Further, it will prohibit all legal actions challenging this moratorium after 6 months from the date of enactment of this appropriations bill.

It is basically legislation on an appropriations bill. It is one of the worst I have seen in terms of a legislation on an appropriations bill. I hope the Senate will be aware that it will close all the courts of the United States to any claim arising out of a patent application that is covered by this moratorium. I have never seen such a far-reaching legislative concept in an appropriations bill.

I might remind the Senate that I worked out a concept under the Alaska Pipeline Act, which took us weeks to decide, where we did decide to close the courts to a constitutional challenge against that act under certain very specific circumstances. There were law firms from San Francisco, New York, Washington, all over this country, that were involved in the framing of that provision. This one has been framed by the Senator from Arkansas, and it prohibits all legal actions challenging the patent moratorium after 6 months. It totally closes the courts of the United States to the miners of this country that may be injured by this moratorium concept.

I have never, never seen such a constraint on judicial review in my 24 years in the Senate. I have never seen such an invasion of an appropriations bill by a legislative process. If that is to come before this Senate, it should come from the Judiciary Committee. It has not come from there, and not even from the committee on which the Senator from Arkansas serves, the Energy Committee. I served on that committee for many years.

We have challenged the Senator from Arkansas to deal with the 1872 law under the legislative process. Year after year after year, he has come here and tried to put a rider on this appropriations bill to prevent the expenditure of money to comply with the law. The law is there. The 1872 law is there, but what this says to the administrative agencies, you cannot use the money to process those applications for patent. "Patents" mean that the mining process is at the point of coming into fruition.

I have asked, and my friend from Nevada has asked, along with Senator DECONCINI and Senator DOMENICI, that it be placed on the desk of every Senator, the possible impact of the Bumpers amendment on the economies of the individual Members' States. For instance, I have the one that we sent to Senator DURENBERGER. It points out that in Minnesota, in the last 3 years, $32,792,500 has been spent on goods and services by just 30 mining companies that we tracked. Only 30 of the mining companies of the country spent $32 million in Minnesota.

This amendment is going to stop those jobs. They will not be able to continue mining without continuing to get their patent to proceed in the West.

We who live in the public land States carry a special burden. I was asked by one of my interns the other day: "Why are you called a provincial Senator?"

I represent a State one-fifth the size of the United States. Every single agency in the Federal Government has a role in Alaska. Primarily, because the Federal Government is the landowner, absentee landowner, in my State. Everything we do we have to get a permit. We have to get a permit to land an airplane in a national park, and to cross Federal lands. There is hardly anything we do not have to get a permit for.

Most of them are free, by the way, Mr. President; the issuing of those permits is free. The delays associated with them is the problem.

(Mr. WELLSTONE assumed the chair.)

Mr. BYRD. If the Senator will yield, nowhere else in this great Government of ours are the States represented. The States are not represented in the other body. States are not represented in the White House. The President is not even elected by the people directly. The States are represented here. This is the forum of the States.

The Senator represents the State. His State is much larger than mine in territory, and somewhat smaller perhaps in population; but we are equal. We represent the States here. So I hope the Senator will not ever feel badly—I am sure he does not—because he represents his State very well. He is effective and able and, by the way, he is honest and forthright. The Senator represents the State well, and no Senator should ever be embarrassed, if he is called provincial. I represent my State, my people, and I also represent the Nation the best I can. I thank the Senator for yielding.

Mr. STEVENS. Mr. President, as usual, I am thankful for the fact, and I am privileged to serve with the Senator from West Virginia. He is right. That was the impression that my interns asked me about, and I think it is right, that those of us, however, that come from Western States have to be involved in so many individual situations that would not arise in the nonpublic land States; that is my point.

But the moratorium trend is what disturbs me, because my good friend from Arkansas, as I pointed out this morning, is from a State where the land was given away. In 1882, Federal land was sold or given away in Arkansas, 426,747 acres. There was paid for that $157,000 total.

In 1883, it was 461,215 acres of Federal land, and this time for $192,000.

We have a whole tab, I might say, available for the Senator from Arkansas, should he like to discuss the disposition of land, in terms of the lands that have been sold in Arkansas. And 2.382 million acres were given under railroad grants in Arkansas. That is, 7 percent of the State of Arkansas was just given away. How many valid mines were located in that, we do not know.

Since statehood in Alaska, in 33 years, less than 1 percent of the State has gone into private ownership—1 percent. In terms of obtaining land under the various acts that were applicable in the West, in the past, the Homestead Act, the Trade Manufacturing Act, the Small Tract Act, many acts that were passed by Congress to give incentive to go to the West have all been repealed. I think westerners, in general, and miners, in particular, would be very pleased to have the Arkansas deal. They have paid an average of $5 an acre for the land that was sold, not counting that which was given away in Arkansas.

We have had to fight for every inch of land that has been made available for private enterprise in Alaska. I think the Reid-Domenici amendment answers the questions that were raised here last year about giveaways.

We were told the Government was giving away lands because there was a patent fee of $2.50 an acre. That was for the administrative costs of processing it. It was not the cost of being entitled to the patent.

The economic impact of what the Senator from Arkansas is trying to do, changing the mining law fundamentally, preventing a challenge of that in court after 6 months, is going to affect every State in this Union.

The mining industry surveyed 30 companies—only 30 companies, and there are hundreds of related companies in the country. In Delaware mining companies spent $3 million; Connecticut, $13 million; Indiana, $17 million. There is not a State in the Union that is not going to be affected economically in these periods when we are trying to create jobs. The Bumpers moratorium is going to kill jobs.

I urge that the Members of the Senate be aware of what is happening here.

We asked the Energy Committee in good faith to proceed with a bill to deal with the mining law, to bring the recommendations to the Senate. What happened was the Senator from Arkansas, himself, killed that effort in the authorizing committee. He killed it, because he offered what was called in the committee itself a Trojan horse, a better bill to take to conference to work out with the House of Representatives the amendments to the mining law of 1872. It was not a bill that dealt fairly with the concepts of the fees that we are talking about here, the $100 figure that is in the bill that has been added by the Senator from West Virginia. It did not deal with the fair market value concepts. It did not deal with royalty, and it did not deal fairly with the patent situation.

We are told repeatedly here that this is a giveaway. Let me tell the Senate: The expenditures to perfect a claim and take it to patent are astounding when you think about it. Let me tell the Senate once again that it cost $2,200,000 to patent 20 claims in Alaska. That was $5,500 per acre and that mine still is not in production.

We have had a series of other mines that are held up in Alaska because of the constraints on patenting that already exist.

Mr. President, let us just go to gold claims for instance. The gold mines in Alaska are primarily individual miners. We now have an average cost of production from a placer mine in Alaska of $317 an ounce. That is 70 to 75 percent of the market value for gold. In other words, even with the existing law, miners being highly regulated already by Federal law. For instance, miners are required to have a mine plan, a reclamation plan, a special use permit, a reclamation bond, the Corps of Engineers wetlands permit, a solid waste management plan, explosive storage permit, a mine safety and health administration training plan, and a national pollution discharge emission permit.

When you look at the cost of complying with existing laws, no one can stand on the floor of the Senate and say that it is a giveaway to develop a mining claim on Federal land. All of those costs paid by the miners are employing people throughout this country.

It is time for us to get down to some of the basic problems. The problem I particularly want to address is the history of the mining law with regard to royalties.

Mr. President, I ask unanimous consent that the summary that has been prepared for me by Chuck Hawley, one of the distinguished miners of Alaska on mining in Alaska, a summary of the mining law on public lands be printed in the RECORD after my comments here today.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Let me point out in this short history Chuck Hawley relates how Congress has tried royalties before. For instance, in 1863 and 1864 Congress considered placing a 5-percent royalty on production. That was rejected at that time because of the history of the 10-percent royalty on production which was placed in effect in 1807 and rejected by the Congress in 1826.

The difficulty is that after those royalties were placed in effect, most of the mines went out of business. The royalty was actually reduced down to 6 percent in 1835, but neither the miners nor the smelters could or would pay the royalty.

The Midwestern copper mines also were stalled and Congress actually tried a 25 percent royalty before it was through. They were all dropped and the land fees reduced in order to restore mining in this country.

Hawley's history of mining shows definitely that in terms of dealing with the mining industry in this country, we have had full production where Congress relied upon the income to the Federal Government through taxes, employment taxes, the taxes on corporations, the extensive taxes that come through the development processing and mining, the actual mining of minerals, but Congress abandoned by 1872 the whole concept of royalties of mine production.

I urge Members of Congress when they have an opportunity, if they are interested, to look through the whole history of the experiments on royalties and see what happened. There is no question that the previous attempts to impose royalties on production from Federal lands failed, absolutely failed, and Congress eventually, in its good wisdom, eliminated them.

The 1872 mining law has had a history that has brought our mining industry to where it is today. I think that there is no question that it has been a successful one.

Let me point out that it once more delineated and shown to have commercial value as in the case of Greens Creek mine in Alaska. The company had to spend over $25 million to bring 23 mining claims to patent. That is getting an ore body ready for production.

I will ask the Senator from Arkansas to explain to us how that is free. There is no one in this country ready to bring these ore bodies to production except the mining industry itself. Mining does in fact create wealth. It creates jobs. And as I have shown with the letters on every Senator's desk, it has created a whole series of basic jobs in every State in the Union.

Mr. President, the problem that I really have in dealing with the position of the Senator from Arkansas is that, as I have said, it is without question extreme legislation on an appropriations bill, and how do we deal with it? We deal with it with the Reid-Domenici amendment which, by admission, is legislation as an amendment.

I wish the Senate would set a precedent and just do away with this concept and let the legislative committee come before the Senate with a recommendation, a recommendation that can be debated at length and not involve a concept of unfairly penalizing the very people that have used the existing law to fruition. Those who are ready to bring the mines into production are the ones that will be penalized first under the Senator's proposition.

He does not stop the filing of mining claims. He does not stop the assessment work in mining claims. He does not stop buying equipment to put mines into production. He does not stop anything except the final piece of paper that gives a miner the ability to borrow money under our free enterprise system to create new jobs.

I cannot believe that the Senator from Arkansas has made some of the comments he has made today. There is no question that new claims are subject to reclamation concepts. Since 1974, we have had those on forestlands operated under a notice or plan of operation. Since 1981, all exploration mining operation on BLM have been operated under an operation plan or notice. All of those include a reclamation plan.

The rules for reclamation already require saving of topsoil for final application after reshaping of the disturbed area is complete, measures to control erosion, landslides and water runoff.

Every operator is on notice that they must have a plan. Those, in particular, up to 5 acres, are still covered.

The Senator from Arkansas apologized to the Senate saying he made an error and said those below 5 acres. I have to tell the Senator from Arkansas he is wrong there, too. The 5-acre threshold does not exempt a miner from having a plan and they must have a similar concept involved in the plan that deals with reclamation.

The problem with royalties, in my opinion, is that royalties are a business expense. Our miners barely compete with the world today. And just as happened in the 1800's, if the Congress puts a royalty on mines on public lands, we will then see a differential between public lands and private lands as far as costs.

Further, it will reduce the incentives to develop these deposits on Federal lands. I guess that really is the goal of those people who oppose the mining law of 1872, to shut down access to the Federal lands for the development of the minerals there.

I believe that we have available a 1990 study by the Public Resources Associates, using BLM data, which shows the cost of administering a royalty system would exceed the revenue. Let me

repeat that. A study by the Public Resources Associates, using BLM data, shows the cost of administering a royalty system would exceed the revenues from such a system.

The Senator wants royalties. None of the leading mining nations—Australia, Canada, South Africa—impose Federal royalties. There are some provincial governments that have them in lieu of an income tax. But we should not get into the concept of changing the mining law of 1872 with regard to royalties or changing the manner in which patents are issued or closing the courts of this country to mining and miners without some action by the legislative committee.

I see the Senator from Arkansas is on the floor today. I would ask him: Why has not the Energy Committee brought to the floor of this Senate a bill to change the mining law if it is so important? That is the committee of jurisdiction.

This is a basic change in the mining law of 1872. It does not belong on this bill. It is legislating on an appropriations bill. It ought not to be here.

But in particular, I am incensed as a lawyer over the closing of the courts of the United States to a challenge against this action, totally closing them after 6 months. No one could possibly even go to the court and say "I have been wronged by this." That is wrong. I think also it is unconstitutional, by the way.

There is a way to do it, and that is not the way to do it.

Now there are national security issues here I would like to get into. There is a whole series of other issues I would like to get into.

I am not going to really belabor the Senate, in consideration of my good friends from West Virginia and Oklahoma, because I know that they want to get on with this bill, and so do I. The bill has many things that apply to my State, that apply to the public lands of our country and those who are stewards of resources of our Nation.

We need this appropriations bill. We need it as soon as we can get it. I think it is a good bill. It is within our allocation. It is not a bill that in any way should be tinkered with with a veto or anything like that. It is a good bill.

The real problem, however, is that this Senator has stood and watched the moratoriums that have been placed on the oil and gas industry, the closure of public lands to the oil and gas industry. And do you know the result of that, Mr. President? Marathon has moved. Marathon Oil Co., one of the substantial oil companies in my State, has moved. It is now in the Sakhalin Island exploring for Russia. ARCO has now moved. It is in China exploring the South China Sea and East China Sea. Chevron is on the mainland of Russia. BP is moving to other places in the country and overseas.

We have massive buildings in my State that were built within the last 15 years by the oil industry that are vacant. We have whole subdivisions that are vacant. Why? Because the oil industry cannot operate on the public lands of this country in our State any longer, it is so expensive, in the areas where they are open, and most of them are closed anyway.

Now here we come up with another concept, and what is it? It is close the public lands of this country to mining. That is the objective of the Senator from Arkansas. And he ought to have the courage to say so. Because he is putting a moratorium on the issuing of patents on claims that were filed 15 and 20 years ago.

Now why in the world would the Congress of the United States want to say to people who have pursued a particular Federal law all the way through the process of going out and trying to locate a mineral deposit, filing a claim on it, then going back and establishing each year the operations that are necessary to perfect that claim, taking it to the point where it is capable of being proved that minerals can be recovered in substantial quantities, commercial quantities, getting it ready—and this is one thing I said I would get back to—what for? To file an application for a mineral survey.

That is something new in recent history, Mr. President. You do not go just for a patent anymore. You file an application for a mineral survey. In other words, first, before you can seek a patent, the Federal bureaucracy has to tell you, you were right in the first place, that it is in fact a valid claim. And they assess that and then you may go to a patent.

Now, I say to you that the objective of shutting down the mining industry on public lands in the West is important. But I say to you in all sincerity it is a matter of life and death for Alaska. We have lost our major industry in terms of resource. The oil and gas industry is leaving. We still have a substantial fishing industry. But our major resource industry that is left there now is a mining industry.

As I said to the Senate this morning, it is operated basically by Canadian companies. And I am going to speak at length on the floor sometime about that, why it is so that only Canadian corporations can afford to operate in Alaska today.

But beyond that, this moratorium sought by the Senator from Arkansas will be the death knell of the last major resource industry in my State. Timber has been shut off. Except in two places in Alaska, there is no timber operation. We have almost half of the timber that is capable of being harvested in the country. We have half the coal of the United States. We have 21 of the 23 critical and strategic minerals of the United States. Not one of them is being mined today.

Now, this Congress has the ability to assure that the resource base of Alaska is used for the benefit of the Nation or it can set this trend once again, as it did in oil and gas, and say the Nation does not need the resources of Alaska.

I feel deep down in my heart this is the target of the Senator from Arkansas, is to stop mining in Alaska. They almost did by the land that was withdrawn in 1980. Most of the land that had mining claims was withdrawn.

But do you know what? Congress could not cut off the validity of the existing mining claims. They were protected. The only way to cut them off was to buy them.

Now we have discovered another way. Kill them. Do not let them have a patent. Do not let them have the one thing they have worked their lives for, that gives them the title to their land and the right to develop the resources.

In other words, Mr. President, I hope the Senate will consider that statement as an opening statement that will occur if the Reid amendment is not adopted and the Bumpers amendment is not tabled. This bill to me, as important as it is to Alaska for fish and wildlife and for mines, for timber development, for all of the subjects that are covered, it is not important enough to kill the mining industry of my State, and that is what the Bumpers approach would do.

It is time to say "Take this back to where it belongs, to the Energy Committee."

It should not be on this bill. As a matter of fact, I am still considering making a point of order, and I yet may make it. We will wait and see what happens to the motion to table the Bumpers amendment.

This should not be on this bill. I have been accused of a lot of things in my day in terms of riders on appropriations bill, but I never tried this. I never tried to put a provision that would close the courts of the United States to rightful claims to challenge the actions of Congress. That is what the Senator from Arkansas does, and I think it is absolutely wrong.

EXHIBIT 1

GEOLOGICAL AND GEOPHYSICAL CONSULTING SERVICES

(C.C. Hawley & Associates, Inc., February 1991)

THE MINING LAW AND PUBLIC LANDS

". . . with the growth of individualism the miners and landlords obtained steadily wider and wider rights until well within the 19th century. The growth of stronger communal sentiment since the middle of the last century has [however] already found its manifestation in the legislation with regard to mines, for the laws of South Africa, Australia, and England, and the agitation in the United States are all toward greater restrictions on the mineral ownership in favour of the State." Herbert and Lou Henry Hoover, 1912.

It is now a certainly that the 102nd Congress will reconsider the body of law that

governs the discovery, ownership, and production of the most valuable metals and nonmetals in the western United States. Among all current laws of the United States, the "Mining Law of 1872" (the Mining Law) may well be the one most vigorously defended and attacked by its users and opponents. Opposition to the law is not new; it is as old as the law itself. What is new is the strength and organization of the opposition.

The Mining Law, however, has strengths not contained in any new law yet proposed as its replacement. Largely because of its heritage in the 19th Century, the law has a democratic basis that allows for the widest possible participation in the mining industry. The costs of discovery and development of national mineral reserves are borne mainly by the private sector. Because of the self-administration inherent in the law, the need for bureaucracy is minimal. Because most of the revenues from mining have stayed in the private sector, dollars have been available to develop technology, to pay wages to skilled workers, and to conserve and ultimately produce low-grade ores after high grade ores have been exhausted. Today a higher proportion of dollars is also needed to pay for environmental protection. Historically, the benefits of technology development, high compensation of workers, and conservation of resources have not accrued in economic systems where aims have either been complete mineral self-sufficiency or maximum revenues to the State.

Although the Mining Law attracts special attention, it is only a part of a broader debate on the lands of the Public Domain. Will these lands continue to be used extensively for grazing, forestry, mining, hunting and other hardier types of recreation or will these uses largely be phased out for softer recreation and vicarious enjoyment? Traditionally, the public lands of the United States were used to produce food products, timber, and minerals for the nation. Recreation was of value to those who lived in the public land states but, except for the National Park System, national interest in and knowledge of the rest of the public lands was lacking. Today national interest views reflect a rapidly expanding population that has instant pictorial access to the beauties of the West, as well as leisure time to physically enjoy those resources. As a result, there is more concern regarding management of the public lands, and quite a few eyes are focused on the mining law.

What is this entity that invites such attack and vigorous defense? Basically, the law encourages all Americans to enter the Public Domain and search for minerals. If a discovery is made which, in the view of the prospector is valuable, one or more mining claims of about 20 acre size can be "staked" or located. By diligently exploring the claims the miner can hold the claims against another private claimant. If sufficient ore is so outlined that a government mineral examiner finds that the prospector has made a prudent and marketable discovery, the claims are also then recognized as valid by the government, and can be patented. Patent is a fee simple title to both the mineral and surface estate of the claims. Patent is not required; it is at the option of the claimant.

Unpatented claims also are a property right. They can be sold, traded, leased, or mined. But the right is not as secure as patent and the claims must be maintained by annual labor. The claims can be challenged, at any time, by government in a validity determination. The risks to the miner are not all from the government. A locator who is not diligent in exploring a claim can be subject to an action in state court filed by another prospector who has made a discovery on the claim in the absence of the locator. Unpatented claims revert to the Public Domain when the ore is gone or if maintenance work stops.

Only certain minerals are subject to the law. Gold, silver, copper, other metals, and certain non-metals can be located under the Mining Law. Coal, oil and gas, phosphate and most other minerals which tend to form beds or layers cannot be obtained under the mining law but are leased (Mineral Leasing Act of 1920). Common varieties of building stone and most deposits of sand cannot be staked or located, a part of the law clarified by statutes passed in 1947 and 1955. These and many other modifications show that the term "Mining law of 1872" is only a short-hand means of describing an entire framework of law for the "locatable" minerals. This body of law is described in United States Code, Title 30.

The Mining Law operates only on the Federal Public Domain—Federal land not withdrawn or classified for other uses—and certain lands of the United States Forest Service (Forest Service). The Public Domain is administered by the United States Bureau of Land Management (BLM), and most but not all BLM lands are open to the mining law. Lands administered by the National Park Service, Fish and Wildlife Service, and any lands of the Wilderness System, regardless of administrator, are not open. In the western United States, most non-wilderness lands of the Forest Service are open to location.

But the Public Domain and the public land base open to the mining law have decreased significantly since the 19th Century. Nationally, the Public Domain originally consisted of about 1.8 billion acres out of the total 2.3 billion private and public acres contained in the United States. Many of the Public Domain lands in the midwestern and plains states were never open to mining location; most of the western lands including Alaska were originally open to the Mining Law. The public lands of the United States now total about 690 million acres. About 300 million acres of these lands remain open to mining location; about one quarter of the open lands are in Alaska, and all the western states contain extensive areas open to the Mining Law.

The Mining Law originated in the same period as the Homestead Act and, because both laws opened the land to entry and acquisition mainly by the toil of the locator, the two laws are often compared. One implication is that while both laws were timely once, neither is timely now. Those that oppose the Mining Law would like to see it follow the Homestead Act into oblivion. The circumstances are not, however, parallel. Most of the arable lands of the United States have been identified and are in private ownership: These lands are sufficient to feed the nation and a large part of the rest of the world. The mineral estate cannot be appraised as easily as the arable lands. If those minerals that are rare and difficult to discover still can be found and developed efficiently under the Mining Law, the law is not outdated.

There is also little basis for comparison of the Mining Law and the Homestead Act in their relative effect on the Public Domain, past and present. Agriculture still uses the most land of any modern activity. Mining uses the smallest. Metallic mining has used less than one half of one percent of the land in any of the Western States. In Alaska the percentage is in the range of hundredths of a percent. According to United States Bureau of Mines' statistics, less land had been used by mining in Alaska than in any other state, including Rhode Island. These statistics were reported in 1980, but mining use has not changed significantly since that time. The relative effects of the Homestead and Mining Acts on the Public Domain are clearly shown as percentage in items 2 and 15 of the following table.

Table—Where has the public domain gone?

	Percent
1. Unclassed public, private, and preemption sales	26.2
2. Homestead Act	25.1
3. Railroad Grant and Construction lands	11.5
4. Lands for public improvements, reservoirs etc.	10.5
5. Common School lands	6.7
6. Reclaimed swamplands	5.7
7. Veteran's grant lands	5.3
8. Confirmed grant lands	3.1
9. Hospital and asylum lands	1.9
10. Timber and stone law lands	1.2
11. Timber culture (reforestation) lands	1.0
12. Desert reclamation lands	0.9
13. Canal and River Right of Way lands	0.5
14. Wagon Road Grant lands	0.3
15. Patented mining claims, other than oil shale	0.26
16. Patented oil shale lands	0.04
Total about	99.9

SOURCES: Public Land Statistics 1989, V. 174, and other BLM documents.

Out of the more than 1.1 billion acres formerly in the public domain and now in private or state ownership, only about 3.5 million acres have been patented under the mining law. At present patents continue to be granted, but at a very low rate. Except for a bulge in patent acreage in 1987 due to grandfathered oil shale titles, there is no evidence or trend suggesting that pressure to patent is increasing. Contrary to statements in some of the media, patents are extremely difficult and expensive to obtain. Undoubtedly to those who dislike the mining law any patent is unacceptable, but perhaps to others the numbers above may suggest the proverbial tempest in the teapot. Statistics on Alaska mining patents are not separated from those in the rest of the United States, but a fair estimate of the land patented for mining in Alaska is 100,000 acres—out of the 378 million acres comprising Alaska.

Almost all aspects of the Mining Law are controversial, and the areas that users believe in most strongly, such as self-initiation, are often the most strongly attacked. It is stated or implied that mining claims can be held and patented for practically nothing, and that the nation is losing vast amounts of wealth because of the lack of royalty. These arguments are often given in ignorance of the nature, cost, and benefits of the mining industry.

Many people believe that self-initiation, the encouragement for persons to freely enter the public domain in the search for minerals, is the true basis of the mining law. Self-initiation is certainly a democratic basis, and one that has a direct tie to a free market system. Any American citizen, U.S. Corporation, or foreign national with declared intent to become a citizen can locate claims on appropriate public lands. As long as only hand tools are used and there is no significant disturbance of the lands, no notice is required in order to search for a deposit. There is no requirement of great

wealth. Although much is made of technical requirements of prospecting in the 20th century, the truth of the matter is that many discoveries can still be made with a geological hammer, a shovel and an observant eye. That ancient instrument, the gold pan, is still effective. Perhaps the modern prospector will send his panned concentrate to an analytical laboratory to search for some elements, but the presence of heavy elements like gold, platinum, mercury, tin and tungsten is fairly obvious, and the prospector has only to go upstream to look for the source. It is not easy, of course, but the idea that only large sophisticated organizations can find minerals today also is erroneous.

Detractors observe that other systems work. Mining companies pay large sums to obtain prospecting concessions in undeveloped countries. Socialist countries have used vast sums to prospect and have been successful in establishing mineral production. But no other system searches for such a large range of deposits, in terms of size and richness, and uses the observational and entrepreneurial abilities of such a wide range of people. The private sector maintains an inventory of the mineral wealth of the public domain, at little cost to the taxpayer. The incentive is that the deposit found belongs to the discoverer—either a limited ownership if claims are unpatented or complete ownership if claims are validated and patented.

Within the wide range of all classes of prospectors and claimants, there is a reservoir of knowledge that can and will be tapped if economic conditions change. If commodity prices begin to increase for metals such as gold, or platinum, or yttrium, or beryllium, the reservoir is tapped. Old claims are restated. New prospects are sought. If elevated metal prices are stable for several years new production results; if they drop immediately, the prospects may be relinquished, but the knowledge gained is there ready to be tapped at a later more auspicious time.

Lease systems cannot and do not respond in the same fashion. By the time a government agency has determined that a favorable market condition exists, and a sale is scheduled, the market window may well be gone. Also because of the financial requirements for lease eligibility, only a fraction of the players exist. The players at the bottom end of the scale are squeezed out in favor of the large corporation.

One of the main problems with the use of a lease system for hidden metal deposits is the determination of value. The value of the discovery will be apparent only after several years of exploration and studies of metallurgy and mining methods; prior to this determination what is there to lease?

Leasing stifles the incentive to explore and develop geologically rare and complex mineral deposits.

A SHORT HISTORY OF THE MINING LAW

"They are adventures, adventures of the common man . . . In the gold rushes tens of thousands of men took part, and although many faltered or fell by the wayside, the best of them evolved a new type of self-reliant, careless social life. With all its faults, it had a fine savour of the spirit of adventure, which is the salt of history."—MORRELL, 1968.

The Mining Law did not suddenly emerge from the Congress in 1872. It followed about 80 years of uncertainty and experimentation with public policy on mining. But it was also founded on law and a tradition of free mining that can be traced back to the 13th Century in England and in central Europe.

The present debate on mining is similar in several respects to the debate that occurred between the early 1800s and 1866, when Congress passed the first mining law to resolve the issue. Congressmen who distrust individual initiative and ownership today would have found natural allies before 1872.

Some exploration and mining took place in Colonial times. Early explorers hoped to find metals, and the charters of the London and Plymouth companies reserved one fifth of any precious metals discovered and one fifteenth of copper to the crown. Prospecting, especially in the Jamestown colony, discovered iron ore but no precious metals. In later Colonial time small quantities of lead, iron and copper were mined, but mining and especially metal processing were discouraged so that the colonists would buy articles manufactured in England. Because of the lack of success in prospecting for precious metals, many people in revolutionary times, including Benjamin Franklin, believed that northern North America did not contain significant deposits of precious metals and probably would never be a significant producer of gold and silver.

The first important gold discovery in the new country was made in 1799 on private land in North Carolina. Mining developed into a small but consistent industry; the miners, often neighboring farmers, paid to the property owner from one-third to one-half of the gold recovered. The first real gold rush in the United States, with attendant land problems, occurred on private and Cherokee land in Georgia in 1829. The mineral province discovered in the southeastern United States was an important one, but in terms of the 19th century West, the main importance of the discoveries in the Appalachian region was that many Americans, including the Cherokee, learned how to prospect for and to mine gold.

The first successful mining on the Frontier, the land that became the Public Domain, was for lead—a necessary ingredient of shot and bullets. Lead was mined on a concession from the French Crown from about 1720–1740 in what is now Missouri. Further north, Julien Dubuque established an excellent relationship with the Sauk and Fox Indians and mined with them in what is now Iowa, Illinois, and Wisconsin from about 1775 to the Louisiana purchase (1803). After purchase, Congress intended that lead mining should continue. A lead mining act was passed for the newly acquired territory on March third, 1807. A royalty of 10 percent was established on production. Mining on a concession under the Act was carried out successfully by James Johnson from 1822 until about 1826, but in only a few years most production came from independent miners producing ore in trespass. To make it more attractive to miners, the royalty was reduced from 10 to 6 percent, but by 1835 neither miners or smelters would pay a royalty.

The first major mineral discovery in the United States was of the copper deposits on the Upper Peninsula of Michigan. Copper had been produced there on a small scale by Indians for hundreds and possibly thousands of years and was known to French missionaries by the 1600s. Pioneering geological work by Douglass Houghton in the 1830s established the possibility of a major copper province. Following a treaty with the Chippewa in 1843, the government granted copper mining permit areas of 9 square miles with a royalty of 20 percent. Some copper was sold from copper boulders in the glacial cover, but the royalty was too high for the value of the copper. It also soon became evident that successful extraction of copper would mean deep mines and their large attendant costs. In order to induce activity, the royalty was dropped and the lands were offered for sale at $5.00 per acre. The price was finally dropped to $1.25 per acre and significant activity began. From about 1850, the Michigan mines produced immense amounts of copper. The mines were finally developed to a depth of more than 2 miles down the dip of the lodes, and production was sufficient to maintain U.S. copper supplies until the late 1800s when western mines became dominant.

After the indifferent success of leasing and sales of mineral land in the early 1800s, Congress was fairly well divided on what to do next. Should mines be proved up like the homesteads backed by the Free Soil party, or should mineral lands be sold or leased?

Events resolved the question. Although there was some gold mining in Spanish and Mexican California, mining was a very minor industry. But only a few days before the actual passage of title of the California territory from Mexico to the United States in 1848, James Marshall discovered gold in the mill race he was building for John Sutter. The discovery was only about 30 miles from modern Sacramento. Although secrecy was sought, the word was out almost immediately. The greatest Gold Rush in history was on.

It is doubtful that the rush could have been controlled by any available combination of law and authority. California was, then, under a military government. Officers in charge did not believe the rush could be restrained: Colonel Mason and his successors, with a few reservations, also believed that the rush with its discoveries, and the growth of supporting population and industry was in the best interest of the country. Licensing and military force were considered but rejected. Laws were needed, however, and were supplied by the miners themselves.

Although guidelines varied in camp after camp, miners established local regulations that rewarded discoverers with claims and established rules of mining. Procedures of recording were adopted and a rough but generally effective and accepted justice system established. Early 1849 was in the opinion of some scholars free mining at its best. There was adequate room for all, the camp followers of a gold rush had not yet arrived, and the dominant tone was for free mining occurring in a democratically administered society.

The placer gold rush sustained itself for several years. And discovery of the first lodes or hard rock deposits continued the rush. The lodes were incredibly rich and, just as important, processing was not difficult. The hard rock deposits first yielded their gold to the arrastra, a primitive crushing device well known to Mexican miners, and next, to the stamp mill familiar to German and Cousin Jack (Cornish) miners.

Although rich ores were rapidly exhausted, the region was so large and widely mineralized that discovery followed discovery. Congressman watched; it can be assumed that some liked what they saw and some did not, but discovery and production of mineral wealth was happening on a scale not conceived of a decade before. In 1863–4, Congress did consider placing a royalty of 5% on production from the mines but rejected the idea, at least partly after extensive testimony from Western miners. The miners pointed out that, although vast amounts of metals were being produced, much of the profit was consumed in development of mines and processing technology and in transportation and

other costs. Further, there were more pressing events: From 1860-65 America was consumed by the Civil War. The great wealth pouring from the gold mines of California and then the silver-rich Comstock lode in Nevada was needed and used to sustain the Union. The North financed the Civil War with "greenbacks", but this currency had value because of its backing with precious metals.

President Lincoln was well aware of the importance of the miner's discoveries. On the fateful afternoon of April 14th, 1865, President Lincoln told Speaker of the House Schuyler Colfax that he should proceed with a scheduled visit to the west for that summer and that he, the President, would give the Speaker a message to the people of the west on the importance of their gold and silver mines in the coming peace.

Although the Mining Law is commonly referred to as the Mining Law of 1872, it is almost as accurate to call it the Mining Law of 1866—the date that the fundamental character of the law was set. The main protagonists then, as in the debates on the law in Congress in 1990, were divided regionally. George Washington Julian, the Representative from Indiana, proposed that mineral lands be subdivided and sold. Senator William Morris Stewart of Nevada proposed to ratify the free mining practices adopted since 1849, and also to allow the discoverer to purchase the discovery for a nominal fee. Other western Senators sided with Stewart in the basis concept of self-initiation and discovery, but believed that adoption of all practices favored by the mining districts could result in serious problems later. With his powers of debate, Stewart won the battle in the Senate but Julian stopped the Senate bill in his Public Lands Committee in the House. The western view prevailed when Stewart changed the body of a canal right-of-way bill and sent it to the more favorable House Committee on Mines and Mining. The "mining bill" emerged as "An Act granting the Right of Way to Ditch and Canal Owners Over the Public Lands, and for other purposes" in March 1866.

The act of 1866 memorialized self-initiation and discovery and relatively small size of claims and other features to prevent monopolization of discovery. It also put into law the concept of extralateral rights: If a vein of gold was truly vertical it would stay within the side lines of a claim as they extended into the earth. But, in the more common case, a vein was not vertical but dipped at a shallower angle and crossed the side line at depth. Extralateral rights allowed the miner whose vein was exposed (cropped out or "apexed") near the center of the claim to follow the vein off the side lines without staking additional claims on the flank of the discovery.

The 1866 law was modified in the Placer Act of 1870 and emerged in a semblance of its present form in 1872. The size of claims was enlarged. Although the law was largely to be self regulating, Congress reserved the right to make regulations and recognized the power of local law making bodies to provide the necessary detail that was not in conflict with federal law.

Serious critics of the mining law have pointed out that the system adopted was really most applicable in a bonanza situation, where numerous miners can profit from high grade ores and where mines can profit from the start of mining. The reality is that, once the high grade ores are gone, it is necessary to consolidate claims into larger groups and perhaps hold claims for many years pending development of access, capital, and technology. Extralateral rights, although fine in theory, proved exceptionally difficult to deal with in practice. Generations of mining engineers and lawyers became wealthy as the courts decided which veins cropped out or "apexed" on whose claims.

Although deficiencies in the law certainly existed and caused an excessive amount of litigation, the most serious technical deficiencies were corrected by 1920 with the encouragement of Congress and the Courts.

There was enough fundamental strength in the original concept to hang a law on.

DISCOVERY, DILIGENCE, AND TENURE: FINDING AND HOLDING A FEDERAL MINING CLAIM

"Art. VII—Resolved. That no person's claim shall be jumpable on Little Humbug while he is sick or in any other way disabled from labour, or while he is absent from his claim attending upon sick friends." Regulations of the Little Humbug Creek Mining District, Siskiyou County, California.

In the tradition of the gold rush, discovery and keeping a mining claim were the first and second problems. Without the first you could not establish your right to dig, but in most camps if you found gold and began to dig and kept on digging you could hold your claim. Diligence and tenure were direct and obviously related. If you left your diggings for a day or two, that is, if you were not diligent, your claims would likely be jumped. You did not have tenure and started over. Placer claims were limited in size and most often limited in number, with the discoverer usually granted more claims than those who followed. In some camps, a claim was 10 feet long or 10 feet square or perhaps the radius of a shovel handle. Lode or hard-rock claims were narrow and only 25 or 50 or 100 feet in length along the vein. Initially the soft, oxidized part of the vein could be mined and processed like the placer deposits, by washing the dirt. At a depth of only a few feet, however, crushing became a necessity. Miners' rules allowed some reasonable time, perhaps several weeks, to stop mining and build a crude mill.

Monopoly was not tolerated in the early mining camps. Even today in Alaska, long time placer miners may take a dim view of mining companies, and older miners at Flat may still speak of the "Googs" (Guggenheims) with some admiration but more contempt.

It is difficult for people today observing placer mining to realize how rich the virgin placers were. The near surface gravel could be nearly barren, with perhaps a few flakes of gold, but when the bed rock surface was reached it could be literally paved with gold. On the beaches at Nome, a miner could make a living in a claim the length of his shovel. Further inland at Snow Gulch, a narrow rill less than a mile long with gravel 3 feet deep, miners took out nearly one-half million ounces of gold. And at Caribou Bill's mine, an unusual pothole cut into bedrock, the average ground must have yielded about 2½ ounces of gold per cubic yard, with some pans containing one-third of an ounce. Some of the placers in California, Montana, and Colorado were as rich. Mines like these could be worked by individuals or small groups.

Events, however, dictated that mines should turn from democracy to capitalism. The rich placers and lodes were exceptional and were quickly exhausted. Left were larger areas that also contained immense total amounts of gold, but were not rich enough to be worked by hand by individuals. It was necessary either to have larger claims or to consolidate them into groups, and to develop labor saving technology to move ground more economically. By 1872, when Congress updated the Mining Law of 1866, the size of an individual claim had been enlarged to its present size—a maximum of 1500 feet along the vein and 600 feet across for lode claims and 20 acres, usually 1320 by 660 feet, for placer deposits.

Time was needed also to construct ditches or to raise capital for mining and milling machinery. In many camps, such as Central City, Colorado, much more advanced technology had to be used to recover the metals from refractory ore—the development took more than 5 years—so provisions were introduced to allow holding of claims. To be safe, a miner needed to be in possession of his claims, but he could hold his claim against another prospector if work equivalent to a minimum of $100.00 per claim was done annually. But with another part of the law, the miner could be fully protected by United States title if he spent at least $500 on development of his claim and had it surveyed. If the work on the claim passed the scrutiny of the mineral surveyor, an agent of the government, patent could be obtained.

In the early days, discovery was obvious. If the gold or silver was there, the miner started producing. But discovery was not nearly as obvious in a large deposit of ore that would not yield gold to the stamp mill. Discovery would also be difficult to pinpoint in a deposit of lead, for example, with a small amount of silver or copper with some enrichment of gold at the surface. These deposits generally needed a better transportation system than the mule or stage coach; they might underlie many claims, yet if they could not be presently mined was there a discovery? What if the new discovery was not shaped like a vein, but was more like a bed or a very irregular mass? How could the miner establish extralateral rights if the ore body was flat and, worse yet, did not crop out at all but was intersected in a shaft?

None of these eventualities were well considered in the Mining Law of 1872. Other western Senators had argued this with Senator Stewart of Nevada but had lost. Even today they sometimes cause problems, but two of the problems of discovery were solved in 1894 and 1919 in, respectively, the cases of *Castle* v. *Womble* and *Union Oil* v. *Smith*. *Castle* v. *Womble* helped by defining discovery with the Prudent Man test. Many outsiders looking at the mining industry consider a prudent miner to be an oxymoron, but the courts held that a discovery was valid if a prudent person would spend his own dollars in order to develop the claim. A discovery did not have to pay from the start. In patent proceedings, a second test, marketability, is also used.

In *Union Oil* v. *Smith* the court held that although discovery was still necessary to obtain patent, it did not make any difference if discovery came before or after locating a claim. A miner could make a location sufficient to hold his claims against others, but could not have the full benefits of title until a discovery satisfying the prudent person and marketability tests was made.

The concept of location prior to full discovery, called "pedis possessio", and the prudent person test are the true bases of the modern metallic mining industry on federal lands. The prospector finds evidence of mineralization and on the basis of his knowledge—influenced fully by competition at hand—stakes an area that includes the deposit as it is visualized. If the prospector is a professional, his or her ideas of size and

shape are strongly influenced by a sophisticated geologic model. The practical prospector is also guided by theory, which may not be as sophisticated but if it is based on good observations is often fully as valid.

Even though prospecting and making a pedis possessio discovery may be difficult it is just the bare beginning of a mine. The discovery is a concept, probably backed up by a few exposures of mineralized rock, that should hold against another prospector, but would probably not hold against a federal mineral examiner. The discovery must be validated.

Two of the provisions of the 1872 law that are most strongly criticized are the fee for annual labor ($100 per claim of 20 acres) and the fee to obtain patent ($2.50 to 5.00/acre), when the claim is validated. Neither has changed since 1872. But other factors have changed.

In the early high grade years an economic mining unit could be a 100 square foot block or a 50 foot length of lode. By 1872 it was recognized that an economic unit had to be larger, at least 20 acres, and several claims might be necessary for a mine. Today, although 3 or 4 claims could still be a mining unit for a small placer mine, a logical mining unit for a hard rock mine could include anywhere from 20 to 50 claims or more. The economic equivalent of what could once be held for $100 now would cost a minimum of $2000 or $5000 per year. Because of the escalation in what can be an economic unit in mining, the annual labor fee has in fact kept pace with inflation. A scheduled increase in fee structures would encourage diligence and discourage speculation in mining claims. But, in many cases, it could also effectively take the legitimate efforts of claimants that have made a potentially valuable discovery and are attempting to hold the deposit until it may be developed. If a discovery is in a remote region, it may be necessary to hold the claims for decades.

The patent transfer fees of $2.50 per acre for placer claims and $5.00 per acre for lode claims are perhaps even more widely criticized than assessment costs. The fees, however, have almost no correlation with the actual cost of obtaining patent. The major costs are in acquiring the data to establish the fact of a valid discovery and turning the discovery into what could be a mine.

One Alaskan example is pertinent to both the cost of validation and diligence issues. A hard rock mineral deposit in the Central Alaska Range was discovered in about 1909. When Steven R. Capps of the United States Geological Survey visited the claims in 1917 he found many small cuts, one cut 120 feet long and 221 feet of underground workings. Capps noted:

"The fact that no producing mines have been developed in no way reflects upon the character of the ore or upon the industry and initiative of the prospectors, for the lack of anything more than the crudest and most expensive means of transportation would have prevented the mining of all but the richest bonanza deposits" (1919, p. 222).

The Alaska Railroad reached the region in about 1920, but the deposit was some 15 miles off the rail line and across one major river, so access was still a problem. When government geologist Clyde P. Ross visited the area in 1931, he reported that ". . . many of the claims have been abandoned, and the annual assessment work on the others has been carried out under such handicaps that little has been accomplished". (1933, p. 291). Even with these difficulties, a second tunnel was driven into deposit in 1931–32. The rock encountered in the tunnel was geologically interesting, but it was not rich enough to be ore. The property was then leased to an experienced Alaska mining man, W. E. Dunkle, who continued the tunnel into rich ore and started a drilling program. In a search for development capital the property was optioned to Anaconda Copper Co. in 1936. Anaconda continued drilling, but returned the property partly because of very poor drilling conditions in the deposit. The local principals, however, thought enough of the project that they formed an Alaskan corporation that raised money in Seattle and throughout the Alaska Railbelt region, from Seward to Fairbanks, and placed the mine in production. In the process, they constructed a low-head hydroelectric system, sawmill, processing plant, and essentially a small village for employees. Production did ensue, but timing was bad. The mine opened in late 1941 and it closed in 1942, because of World War II.

The owners maintained the claims after the war, but war time inflation and the fixed price of gold had a drastic effect on the potential profit of the mine. The property was maintained at a minimum legal level until, with increased gold prices, it again became of interest. Since 1971, it has been examined, drilled, and tested by four major mining companies and by its owners. The total annual labor expenditure from 1909 until 1990 is uncertain, but there are good records from about 1970 on. During this period more than $5,000,000 was spent on development of reserves.

No attempt to take the claims to patent has been made. There has been some duplication of work, but most of the labor has been legitimate and addressed to understanding a large and geologically complex property. If at some time, the claims—which consist of about 1000 acres—are patented will the purchase price be considered as $5000.00 or will it reflect the expenditures of more than $5,000,000 to validate discovery? Placer claims may be validated for less than for a geologically complex lode deposit, but validation of a large placer deposit can also be very expensive. The example below comes from a recent application for placer patent:

Statement of fees, costs, and charges for mineral patent application FF , M. S. , 10 mining claims:

1. Cost of survey	$10,650.00
2. BLM processing costs	525.15
3. Purchase price	1,035.00
4. BLM filing fees	25.00
5. Title abstract	1,165.70
6. BLM Geological report	3,476.70
7. Exploration drilling and engineering	1,081,666.00
Total	1,099,257.50

Cost per claim—$109,925.75.
Cost per acre—5,496.29.

The true benefits to the non-mining American from the mining system contained in the Mining Law are, the discovery of new wealth, the value added to the initial discovery by exploration and development, as well as benefits from production itself. The cost of exploration and development that must be done before production commences annually amounts to hundreds of millions of dollars.

It is a cost borne mainly by the private sector, from the prospector to the conglomerate.

PLACERS, LODES, AND COMMON ORES

It is an ". . . almost impossible accomplishment to make our national representatives from other states comprehend, in a rational manner, the true relation of business and facts, in connection with the mining industry". Sylvester Mowry, An Arizona miner, 1864

Some problems with the Mining Law of 1872 arose from the lack of definition of critical terms, others from changes in the mineral industry that could not be foreseen in 1872.

Although both placer and lode claims were recognized in the Mining Law of 1872, neither placer nor lodge was clearly defined. Gold mixed in the sands of a river bar or buried more deeply in stream gravel was clearly in a placer deposit and subject to the mining law, but what of the gravel itself? Or more indirectly, what about oil-bearing shale formed in ancient lakes in Colorado and Utah? Like the placer gold deposit, the oil shale had formed under water essentially at the earth's surface, but it had then been buried and hardened. If the oil shale deposit was not a placer, what was it? It certainly was not the same kind of lodge as a gold-bearing quartz vein if it was a lodge at all.

The first attempt at a solution of the placer vs. lode dilemma may have helped, but did not resolve the issue. Basically the courts held that anything that was not a lode was a placer deposit. This interpretation led to unusual categories of claims, including placer claims for oil or oil shale.

The rapid development of the west caused by the discovery of gold contributed to the placer and lode definition problem and essentially initiated the problem of common minerals under the Mining Law. In gold rush days, no problem existed with common minerals. Only the richest types of mineral deposit could possibly be economic and of interest to the miner. These deposits were and are, in terms of land area, extremely rare. The discovery and reward system was appropriate in their location.

But as development proceeded, more common types of deposits also became valuable. Stone deposits were valuable for local building and, with the coming of the railroad, hard coal deposits near the right-of-way had immediate value. Steaming coals were not exactly common, but they were not as difficult to find as a metal deposit underlying a few acres. In contrast to the metal deposits, the extent of coal fields was measured in square miles or townships.

In the Rocky Mountain states, the problem of coal deposits was addressed first in Railroad right-of-way laws. As an incentive to rail construction, mineral rights in alternate sections along the railroad rights of way were granted to railroad companies. These lands were not subject to the mining law. Rights to other coal deposits on western public lands were finally resolved in 1920 when coal, oil and gas, and most of the widely distributed "bedded" deposits were withdrawn from the Mining Law of 1872 and put under a leasing act.

The common variety problem was approached by the Congress in both 1947 and 1955. In the Materials Act of 1947 most building and construction stones and minerals which had been subject to location were placed under a competitive sale system. After passage of the Multiple Surface Use Act of 1955, only construction materials that had special properties could be located; common varieties of rocks for building and related purposes would be obtained under the Materials Act of 1947. A placer miner who has held mining claims staked before and maintained continuously since 1955 may be able to sell common sand and gravel from his claim. But sand and gravel cannot be sold from a claim staked after 1955.

The intent of both the 1947 and 1955 laws was to further limit the Mining Law to rare

substances. The intent has not yet been fully realized. Creative miners rarely but sometimes have attempted to locate "uncommon" varieties of sand and gravel. A current complex and controversial claim involves pumice in the Jemez region of New Mexico on lands administered by the United States Forest Service. The pumice at least in part meets the location test given in the 1947 Act, but it is abundant locally and occurs in a scenic region. Patent is being sought on the claims; the pumice will be used to "mill" blue jeans to give them that faded look. If patent is granted on these claims, the decision will almost certainly be cited as another reason for elimination of the Mining Law, even though the case is an isolated and unusual one. Although the pumice locators may not be happy, probably most other miners would advocate another amendment to, rather the replacement of, the law. The law can be amended so that it never applies to such rock materials, even if they are not common varieties.

In attacks on the mining law, egregious examples are routinely exploited where a developer has reaped a windfall from land acquired from the government supposedly for practically nothing. Most of these examples are exceptions that derive from some grandfather clause. Some, like the New Mexico case, may reflect need for further amendment of the law. But the cases cited are very unusual; they will become rarer as grandfather rights disappear or as corrective changes are made to regulations or law.

Some of the examples may also not be as flagrant as they appear to be. Oil shale has not been subject to location since 1920, but some claims have been held since the early 1900s on grandfather rights. Considering the time value of money, and the dollars spent on generations of exploration as well as litigation and lobbying, is it wrong to issue an Oil Shale patent in 1987 for $2.50/acre on an oil shale placer staked in 1915? Some of the examples also need consideration in the context of other land dispositions of the same time. Sales of sand and gravel from a few grandfathered claims near Las Vegas after often cited as an undeserved windfall, but they date from the same era when the U.S. Government sold Howard Hughes some 30,000 acres of Las Vegas area lands at $5.00 per acre to build an aircraft factory. No plant was ever built, and the land is now the base for the massive Summerlin land development. Only hindsight views such happenings perfectly.

In a case cited in a report issued recently by the General Accounting Office, a miner reaped an apparent sizable profit by selling his patented claims to a ski resort. But the miner wished to mine his claims and only sold after local zoning regulations made the mine impossible; this mitigating circumstance is not usually pointed out by those who cite this case as an example of unwarranted profit, or incompatible use of mining land. Although it may be desirable to hold mining land for mining, just as a case may also be made for reservation of arable land for agriculture, it is difficult practically and in equity to tell an owner what to do with private land as economic conditions change.

Another aspect of the Mining Law that has attracted critical attention has been nonmining use or occupancy of unpatented federal mining claims. Although abuses continue, the problem has been addressed in law, and can be controlled by the Federal land managers. Before 1955, it was clear from case law that the only legitimate use of a federal mining claim was one that related to mining—prospecting, development, or extraction. The miner could occupy the claim, but his occupancy was related to mining. The Multiple Surface Use Act of 1955 put the case law interpretation into statute; claims located after the 1955 Act could be used only for ". . . prospecting, mining, or processing and uses reasonably incident thereto". Largely because of abuses on use of mining claims in the contiguous 48 states, the Bureau of Land Management is now considering revision of regulations on occupancy of mining claims. Probably some revision is warranted, but it should be with the view that a need for occupancy still exists. In Alaska and in sparsely populated parts of most of the western states, full or part time occupancy of remote mining claims is essential.

Two significant problems of the mining law were addressed in the Federal Land Policy and Management Act of 1976, the law that governs the United States Bureau of Land Management. Before that act, because mining claims were not registered with the BLM but only with County or District Recorder, federal land managers had no direct knowledge of who was on the Public Domain for mining. It was also uncertain how many claims were being actively pursued and how many were inactive or "stale". A specific date was set to register all federal claims and many locators chose not to register. Although any claims on open Forest Service or BLM land that were dropped could be relocated by others, claims on Park Service or other withdrawn lands could not be, eliminating many locators who did not intend to pursue development. Since the 1976 Act, all records of location and annual labor are filed by the miner both with the state recorder's office and with the BLM. These recorded documents, together with notices or plans of operations required before any significant land disturbance takes place, allow federal agencies to track activities on mining claims.

Most supporters of the Mining Law of 1872 believe some other changes are desirable if not absolutely necessary. Two possible amendments are the complete elimination of the difference between placer and lode claims and the elimination of extralateral rights. But both of these features of the mining law still have their advocates. In Alaska, particularly, the duel system of claims appears to have considerable merit. One example of the continued need for both placer and lode claims is in active placer mining regions of Alaska where the small placer miner works his mine next to mining companies exploring the adjacent land for lode deposits. A single system would not likely displace the small operator. Although the dual system has caused problems, some could be resolved by better definition of terms, and, as commentator George Reeves has recently pointed out, some of the supposed conflicts do not actually exist.

The case for retention of extralateral rights rests largely with the amount of surface land covered by mining claims. A narrow steeply dipping deposit claimed with extralateral rights has a much smaller footprint on the federal domain that would the same deposit claimed with vertical boundaries. Some 20 years ago, before gold mining had its rebirth, opinion, favoring elimination of extralateral rights was practically universal. With production starting again from older vein-type districts, some former staunch advocates of this change now favor application of extralateral rights where they are appropriate.

PLANNING, THE ENVIRONMENT, AND INDIVIDUAL INITIATIVE

". . . mineral exploration and development should have a preference over some or all other uses on much of our public lands." Public Land Law Review Commission, 1970

Self-initiation inherent in the Mining Law of 1872 and real or conceived environmental problems probably have been the two prime causes for attacks on the Mining Law, although the lack of a royalty would be a close third. Self-initiation is envisioned as negating proper planning or, in essence, as preplanning the land use of an area. And the mining law, in itself, does not contain much environmental protection. These problems have, however, been addressed extensively outside the mining law.

Self-initiation has been dealt with in a most Draconian fashion by withdrawing large areas of land from an application of the mining law, and generally even from inventory of the land's mineral wealth. Is this really good land planning and management? Further, on the land that remains open to location, both the United States Bureau of Land Management and the United States Forest Service now have complex planning processes which can be used effectively to limit development. The rights of self-initiation still exist in the location and discovery process, but as far as development rights are concerned, they have been greatly proscribed by changes in other laws.

Not all planning and mining issues have been resolved, but there are both process and framework in the planning mandated by the U.S. Forest Service and BLM. Valuable ore deposits are so rare that they represent exceptions to most land plans and obviously can only be discovered where they exist. Although the exact location of a deposit remains to be determined, it is possible to identify large areas that are more likely to contain a deposit of a certain type than would adjacent areas. These areas can be recognized in land plans in almost the same broad fashion as favorable habitat areas for salmon or moose. Planning, instead of being used as a zoning procedure to prevent uses, could work toward the resolution of problems between competing uses. Prospecting and discovery could still remain a competitive enterprise within a system of development guidelines.

Environmental protection related to mining has also been dealt with extensively in the last 25 years. The protection is partly within the law and its regulations, but is largely in collateral law. Miners are subject to the National Environmental Policy Act of 1969; no significant disturbance on federal claims is possible without at least an Environmental Assessment, and most large projects need a full Environmental Impact Statement. Work on wetlands involves permits from the Corps of Engineers. Each agency has laws and regulations which apply to mining.

The various states have also been active in environmental protection. In Alaska special permits are generally needed from the Departments of Environmental Conservation and Fish and Game as well as Natural Resources. The Coastal Zone Management Act affects many projects. Of the Mining Law states, only New Mexico does not have a statewide mining reclamation Act, and an act is now being drafted for their 1991 legislature to consider.

The changes made to date in the Environmental Laws and in land management, however, do not satisfy the preservationist. To a modern preservationist, the idea that a sin-

gle prospector could go into the wilderness and make a discovery so significant that a new town could form and perhaps roads or railroads be built and agriculture and secondary industry developed is anathema. After all, they argue, these lands are the property of all the citizens, and should not be accessible to such a catalyst. On the other hand, is not that where changes in a free country generally have, and should, begin—with the individual?

Preservation of some lands is in the national interest, but many would also believe that it is also valuable to preserve the ability of free citizens, singly or in small groups, to initiate changes which improve their lives and the economy of the country on much of the rest of the Public Domain. Alaskans fought the preservation battle once in the 1970s when, in Alaska National Interest Conservation Act (ANILCA), Congress preserved more land in Alaska than the area of the third largest state: California. In its wisdom, Congress decided that these lands were more important for preservation than development. And even though there was lip service in Title XV to carry out a mineral inventory of the land, this part of ANILCA has been, in effect, scuttled. Furthermore, by carefully drawing boundaries to interdict possible transportation routes, other Federal, State, and Native Lands were also affected so they could not be developed. In this Congress, some of the same groups will ask not only to withdraw more Public Lands but to change the Mining Law so that the entrepreneurial abilities of individuals and small groups can not be used in the appraisal of the public lands for minerals.

It is true that other mineral appraisal systems work, and some might be able to produce royalties for the federal treasury. It is likely, but not certain, that if sufficiently large land concessions were offered on the Public Domain, a multinational company would place a bonus bid up front and also guarantee a royalty on production from any workable mineral deposit discovered. But because of the scarcity of such deposits, very large acreages would be required, and only those that were large enough and rich enough to fit the guarantees could be placed in production. Small and medium sized prospects or large low-grade type deposits could not be mined and because they could not be mined would not even be sought.

Several years ago, some of the larger mining companies decided that they would not seriously consider a gold deposit that had a potential reserve of less than 1 million ounces. Now some will not consider a deposit with less than 5 million ounces. But there are small companies that could put 50 people to work with a deposit of only 200,000 ounces. There are long time Alaska mining families that could survive for years on a few thousand ounces, and the recreational miner who would be thrilled to find one-half an ounce of gold. These small miner options are lost if the Mining Law is replaced by a structure that satisfies the preservation interests.

Another option exists—ownership and development by the state. Our relatively close province of Magadan in the USSR is similar in some respects to Alaska. It is very large and has a similar population, about 500,000 persons. More than 100,000 of these people work in mines and there are many more mines. But many of these mines are not profitable. Thousands of people are used for prospecting where a few hundred could do the same job better. The mines tend to furnish full employment and foreign exchange. The Soviets are much more self-sufficient in minerals than we are, but at a significant cost to all Soviet citizens and to the environment.

The capitalistic system does not do everything well but one of its basic principles rests on the economically efficient use of capital resources. If an ore cannot be produced in the United States by a mine that meets the law and produces some profit, the mine's existence is short lived. Some Soviets are well aware of this. In January of 1991 a delegation of Soviet officials came to the United States to visit the United States Bureau of Mines in Washington, D.C. They were interested in technology, but they primarily wanted to find out more about a very inexpensive system of prospecting and mine development that they could take back to the Soviet Union—The Mining Law of 1872.

The mining law has acted, and can continue to act, as an incentive for many Americans to enter the Public Lands and help appraise the mineral wealth of the United States. And the appraisal process is never over. In 1963, mining historian Rodman Wilson Paul wrote:

"Ultimately Colorado, Idaho, and Montana were carried into a new prosperity by a wholly new kind of mining that brought its own problems along with its own rewards. No comparable mercy blessed Nevada; once gutted it remained depressed for twenty years, and has never found a real substitute for the silver of its vanished greatness." (p. 195)

But even as he wrote those words scientists of the United States Geological Survey were making basic scientific finds that would enable a new gold rush. The research results were in two areas, the structural geology of Nevada, and the applied science of geochemistry. The scientific results were observed closely by a few astute miners, and were rapidly translated rapidly into the first discoveries in the rich Carlin district.

But geology alone cannot determine mining. Carlin could proceed to development in the 1960s, at a gold price of $35.00/ounce, because of its richness. But the rest of the new western gold rush happened because the gold price was freed from its artificial restraints—and prospectors from around the world returned to the west—and because new technology was developed for processing very low-grade gold and silver ore. Because of the Mining Law, prospectors did not have to wait for a bureaucracy to advise that gold mining would again be profitable.

The historical examination of two gold rushes that preceded the California rush of 1849 is relevant to the mining law problem. A gold rush to the Portugese Colony of Brazil lasted more than 100 years, starting about 1700. A rush in Russia started near the Ural Mountains in about 1800 and overlapped the California rush in time. In both these stampedes, rigid government controls were sought, if not always maintained. Taxes were high, and both governments sought to control all aspects of distribution of metal. The consequences were that only the richest ores could be mined, no technology was developed, and no strong derivative cultures emerged. As the richer ores were depleted, workers conditions worsened.

A mine, like a farm, should be conserved, and if the driving force of mining is income to the state, conservation of the resource can only be a secondary aim and may not occur. In any mining operation in a free society, most of the dollars produced as revenue flow to labor and suppliers, with lesser amounts for profit, taxes, and royalties. Mining technology continually developed on the American Frontier and lower grade ores could be mined as high grade ores were depleted. An American industry in the early 1850s that had to depend on Cornish miners for mining technology led the world into modern practices by the early 1900s. In this respect it paralleled the entire American experience with the industrial revolution.

The bottom line in a mining operation in a capitalist society is the cut-off grade of the deposit, the lowest grade of ore economically feasible to mine. This is the actual break even cost of mining and processing; it is the base against which the mine works after capital costs have been repaid. As costs rise, or metal prices decrease, the cut-off grade of the ore has to rise; reserves decrease as a consequence and the mine life is shortened. If costs decrease or metal prices increase, the cut-off grade falls, reserves increase because lower grade ores can be mined and the mine life is extended. Partly because of a lack of federal royalty, United States mines have been able to sustain production in competition with much richer foreign mines that have much fewer environmental restraints than in the U.S. And they have been able to produce low-grade ores profitably.

If exploration and development costs of mining are fully considered, there is little doubt that mining has more than paid its way. The gold and silver produced from the West in the last century alone multiplied the capital available to the world by several times. Although the metals did not pay for federally subsidized stage coach, pony express, telegraph and rail lines, gold and silver were the catalysts that allowed the capital of the United States to be extended in order to develop the West. The copper mined at Butte, Bingham, Jerome and Kennecott allowed the United States to give all its citizens the benefits of abundant energy. Metals with no known uses in 1872 have since been discovered and produced because the act faithfully follows the market system. Of the 35 metals used in a modern television set, some had not even been chemically isolated in 1872. If a market is found for germanium, europium or gallium, a prospector will look for an ore that contains it.

The Mining Law has evolved almost continuously since 1866 and it is capable of further change. It has been amended more than fifty times, including four amendments in ANILCA. It would be very difficult to develop a new law that could produce mineral wealth from the public lands as well. Of alternatives proposed thus far, only the Mining Law allows individuals, small companies and multinational giants to work on deposits of appropriate size and grade. And although most of the metals are produced by the giants, family mines still operate throughout the West. The giant corporations sometimes acknowledge their debt to the individuals and small mining companies that lead in discovery.

The Mining Law of 1872 has grown with the times; it is good law and it's retension should be considered fairly. If the law is replaced, the crafting of its replacement should have its foundations in an examination of the benefits and profitability of the mining industry as well as its costs. A restructuring of the Mining Law for the country warrants a review similar to that given to all the uses of the public lands by the Public Land Law Review Commission in the 1960s. Establishment of a Mining Law Review Commission should be the foundation of new legislation.

ACKNOWLEDGMENTS AND COMMENTS

The point of view in the article is of a geologist who, as a government employee, first

observed the Mining Law in action, then as an explorer and developer and promoter of mining ventures, used it over a span of 40 years. It attempts to examine the law in some aspects of its history and how it works in a relatively free society.

The mining law has been examined by attorneys who have read and litigated the mining law. George E. Reeves, a long time mining attorney, has recently examined, in detail, specific problems related to overlapping placer and lode claims and on work done, both on and off the claims, as part of annual claim maintenance. In a much more general approach, John Leshy has described and critically analyzed almost every aspect of the Mining Law: I have borrowed part of Leshy's approach, but reached a different conclusion as to what the future of the law should be. Davis and Leshy both examine the intricate maneuverings that attended the passage of the Mining Law of 1866, but Davis's examination perhaps benefits because it was written only 35 years, rather than more than a century, after the passage of the law.

George Schmidt, a mining engineer with long experience in administration of the mining law with the United States Bureau of Land Management, James S. Burling, Esquire, with the Pacific Legal Foundation, and Fred Eastaugh, Esquire, from Juneau, Alaska who has had long experience with the mining law, each read several early versions and made valuable suggestions. Burling examined both law and health of the mineral industry and proposed specific steps that the United States should undertake to revitalize the mineral industry—he assumed the base of the Mining Law of 1872. My wife, Jenny, has worked on every draft. If there are errors that relate to the mining law—or anything else—it is not the fault of these reviewers.

In addition to Leshy, Davis and Reeves as sources, The American Law of Mining, 2nd edition and original statutes have been consulted. Richard and Morrell both have very useful information about mining and mining law before 1872. The beginnings of mining law in societies that evolved towards capitalism are discussed in footnotes to De Re Metallica by Herbert and Lou Henry Hoover; some early laws are given verbatim by Pettus.

Works by Billington and Ridge, Bishop, Holbrook, King, and Paul discuss the mining west—or personages involved with the decisions that shaped the west. The books by Holbrook and King are especially interesting because they chronicle some of the very strong and occasionally dishonest or greedy persons that were involved with mining in the 19th and early 20th centuries.

The contrasts in civilization that have grown out of free vs. state mining emerge in several references, but are thoroughly explored, with insight, by Morrell. Although the gold mining industry in the west began the development of modern mining technology, the copper mining industry documented by Navin continued it and prospered as a result.

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Mr. BYRD addressed Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, let me appeal to Senators to move forward with some acceleration in the pace. The Senate went on this bill 8 hours and 10 minutes ago. There have been some interruptions with actions on other bills.

We have some very strongly held views here. The amendments do not particularly affect my State. I recognize that Senators are within their rights to offer amendments to appropriations bills, amendments that deal with legislative issues, controversial issues, but we do have a responsibility to try to move this bill.

Today is Wednesday, and the Senate will go out at the close of business next Wednesday. That means we have Thursday and Friday and Saturday, Monday and Tuesday and Wednesday. We have back behind this bill a Treasury-Post Office bill. We have the VA-HUD appropriation bill. Our Appropriations Committee has reported 9 appropriations bills within the last 2 weeks.

And this, I believe, is the seventh appropriations bill on the floor, with two more waiting in the wings. And the leader, I believe, is committed—I do not want to presume to speak for him—but I believe I understand that he is committed to bringing up the Department of Defense authorization bill before we go out. And so that means we do have to move on.

We have been on the bill now at least 5 of those 8 hours, and probably more. And we have not resolved by vote one single amendment on this bill.

I understand there are some other controversial amendments.

Now, I love every Member on both sides of the aisle—I would not say every Member on both sides of the aisle. I love every Member on both sides of the aisle on this question that I have heard, and I love every Member on both sides of all the amendments that I have listened to.

Now, I am not going to move to table. I have the floor right now, but I see my good friend from Montana, Senator BURNS, and my good friend from Idaho, Senator CRAIG—and I understand Senator MURKOWSKI from Alaska is coming to the floor. I certainly do not want to shut them off.

But I do want to serve notice, and I hope I will not have to proceed to move to table. At some point, if I get the floor, I will feel that I have to move to table, and I will just start down the line. If I move to table the first amendment that is pending, if it is tabled I will go to the next one. If it is not tabled, at least I will not be any worse off than I am right now. The amendment will still be pending, and Senators will at least know what the votes might be. That somehow might help to expedite action.

So I want to plead with Senators to try to keep their remarks confined within more narrow limits than has been the case in the main thus far.

Now, four—let us see. We have had one Senator speak in support of the Bumpers amendment. We have had three Senators on this side to speak in opposition to it. We have had two on that side to speak in opposition. There are two more standing and sitting, and waiting. That will be four on that side—four on the Republican side, four on this side, with one of the four in support of the amendment.

That is a pretty equal balance, considering the fact that the oratorical powers and the oratorical athleticity of the Senator from Arkansas is pretty much equal to that of any other Senator. At least, I do not think I can complain about Senators speaking at length; I speak quite at length sometimes—on some matters. But this is the appropriations bill. We are talking about amendments that involve controversial legislative issues.

I would hope that those legislative issues would be resolved in committees that have jurisdiction over such legislation, and brought out—saying that I recognize the right of Senators to offer such amendments.

But there is a time to speak and a time to sit down. So I am going to sit down, but I hope Senators will try to

emulate me in sitting down. And I am going to start moving to table, unless someone else does, pretty soon. We just cannot keep on like this and expect to get this bill done—tomorrow even.

I thank all Senators for listening.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, one, I wish to join my friend and colleague, the chairman of the Appropriations Committee. He has shown great patience, far more than really I would like to. I want to see this vote tonight.

I would tell my colleagues that I happen to support the amendment of the Senator from Nevada. But as this debate continues, I may be more persuaded to go along with my friend from Arkansas.

I think it is time that we vote. I know the Senator from Montana has been waiting for 5 hours, and he is entitled to debate. I know that Senator MURKOWSKI from Alaska has been sending me notes. He is ready to come over, and I would encourage him to come over.

And I would certainly encourage our colleagues to follow the guidance and wisdom of the chairman of the Appropriations Committee, and let us wrap this debate up and have a vote on a motion—maybe a motion to table one of the amendments, the underlying amendment or the Bumpers amendment—and move forward.

We have several other amendments to take up, and I would like to see us pass this bill, if possible, today; or, if not, certainly by tomorrow.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, thank you very much. It will not take me very long. I just want to support what has been done by the Reid-DeConcini forces in trying to forge some kind of a consensus or compromise on this mining legislation, the National Mining Act.

We have heard of a covenant made between the Government and the American people lately, something new injected into the political arena. And this mining law has served us very well. Now, we want to do away with that covenant. Go out and do the work, but when you get ready to go to the bank, you will not be able to.

I want to tell a little story. I come from a farm family in the State of Missouri. That is where I was raised. My dad bought our farm at the courthouse steps for taxes in 1913. There are probably some folks around that can remember those days. But when he got the abstract of that old farm, he told my mother, he said: You notice, since the day this farm was granted from the Government, it has never been paid for—never. And he said: We are going to pay for this thing. And they did.

The point I am making, if we change the rules now, let us go back and change all the land that has been granted by this Government and put into private hands. And let us say: OK; now we want to start charging a royalty on what you produce on your farm.

Is that fair? That is kind of changing the rules, is it not, here in the middle of the game? Is that not a violation of private property rights?

There is a difference between hard-rock mining and gas and oil. We pretty much know when we start putting down a hole in the Earth to look for gas or oil. We have had seismographs; we have studied the geology. We think it is there, and the possibility is of making a well that will be profitable, that will serve the needs of America; at least, we have a chance.

But, you know, whenever we turn over a little old rock up there in the mountains, it may have gold in it, or platinum. May I remind my colleagues the only platinum mine in this country is located in my State. And if you did not have platinum and palladium, you would not have catalytic converters on your car. So let us talk about air quality.

You do not know where that vein is going. You do not know where it started, and you do not know where it is going to end up. And you do not know if it is just a little trace here and a little trace there.

A lot of people say: Why do you mine there? It is because it is there, where it is.

Who was it? I think there was a bank robber one time. They asked him why he robbed banks. He said: Because that is where the money is.

But in gas and oil, and any other thing, it is different than hard-rock mining and the investment. Now, we want to take away that element. That says you cannot own it once you have done the work on it.

I just want to remind my colleagues of one other thing. Yes, it is important to Montana. And how many speeches have we heard on this floor, saying the economy has gone to pot; we cannot get anything going. And yet, we put on rules and regulations in this body that will not let this economy recover.

Because, let me tell you, the only true wealth that a nation produces comes from Mother Earth. There is no place else from where it could come. It is our natural resources that produce that wealth.

And if you think it comes from somewhere else, you shut off everything that grows from Mother Earth, and I will tell you what: We are poor—poor. That is just plain economics. That is very simple, and it is a very simple topic.

Tell me one other situation or civilization or society that has survived in this world when they quit developing their natural resources? They disappeared from the face of the Earth. If you think this country is exempt from that, my friend, you have not read any history books. And that is what we are talking about here.

I am going to close this today because it is important to the State of Montana, but it is also important to the security of this Nation. All of these new, great inventions that are coming up have trace minerals, and the mining industry is very important to them. So we can quit producing those things. We can move it offshore. We can send everything offshore. We can send our workers offshore. But the true wealth of a society will come from Mother Earth. We can have laws as to the way we develop it. We can have laws on how we reclaim it. But if we have laws that tell us we cannot develop it, then we will surely disappear from the face of the Earth.

Basically, that is what I am thinking about. So if my colleagues want to talk about covenants, I will talk about covenants. We are putting covenants on the mining industry just like with our people in agriculture and, yes, some people who live in town probably do not realize that there is something more to producing food, fiber, and the security of this Nation than what we find on Main Street America.

So we support what the mining industry has done, with Senator REID, Senator DOMENICI and Senator STEVENS, realizing that last year we told this body that we would try to find some kind of a compromise. And we have reached that, we have fulfilled that. Yet, that did not call off the people.

I notice on this big letter all these people who are concerned about you in America would shut down your way of producing wealth and your standard of living and your security. Just read the top of that letter right there. If you think these folks are concerned about you security and your standard of living and your quality of life, you have got another think coming. It is very important. Very important.

But I want this Nation to realize where its wealth and strength comes from. It comes from security. It comes with a convenant that we made with these people that we will protect those property rights.

I just ask the support of the Reid-Domenici-Stevens approach and to table the amendment of the good Senator from Arkansas. There is no doubt about it, he is dedicated in what he does, and he thinks what he is doing is right. He, in his own mind, thinks he is right, and I respect him for that.

I thank the Chair, and I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I know the distinguished chairman of the committee is anxious to get on

with this, so I am going to make my closing comments. I understand there is one additional speaker, and perhaps we can get a vote immediately after that.

Mr. President, I took 1 hour this morning, and the opponents of my amendment and the proponents of the Reid amendment have taken over 7 hours. I am not complaining that other Senators are not here speaking in behalf of my amendment. I simply point out that when we look at where the opposition to the patent moratorium is coming from, it is powerfully clear what the issue is. I have never read one editorial or heard one television or radio commentator that discussed this issue, that did not do it with the utmost contempt of Congress because we have not dealt with it.

Mr. President, I do not mean to sound self-serving or the least bit arrogant, but the people of this country are angry, they say, because their voice is not being heard. If we debated this issue on all three networks on prime time television, I promise the American people overwhelmingly would be appalled that the U.S. Congress continues to allow this outrageous system to continue.

This is one of those issues where, if you accommodate a certain interest group, you are just fine because nobody else much really cares. But I listened to the Senator from Arizona this morning talk about the public opinion in his State. I recommend the Arizona Republic, which has editorialized on this, calling the mining law of 1872 "our great land rush," or the Arizona Daily Star: "Bad law. Congress must change the mining law of 1872."

The Santa Fe New Mexican: "Bury the 1872 Mining Law."

The Oregonian: "Mining Law Needs Reform."

The Denver Business Journal: "Mining Law Needs Upgrade."

The Los Angeles Times: "U.S. Treasure Hunt."

A poll by the Northern Plains Resources Council, one of the most respected groups in America, say that there is "strong support for mining law reform in Montana." Listen, 88 percent of the people in Montana support mining law reform and 60 percent believe there should be no royalty. We are not talking about royalty, although an awful lot of the debate from the other side of the aisle dealt with royalty. There is no royalty provision before this body.

According to a poll taken just 2 weeks ago in New Mexico by the New Mexico Environmental Law Center, 84 percent of the registered voters of New Mexico believe the 1872 mining law needs reform; 81 percent say the law is outdated.

In 1990, the American Mining Congress commissioned a national poll of registered voters and it found that—this is the American Mining Congress—82 percent of Americans believe the hard rock mining industry should be required to reclaim the land and pay a royalty for minerals. This led the polling firms to conclude: "The question provides the most concrete evidence that the industry should not conduct the mining law battle in public view." Think of that. A study by the American Mining Congress concluded that we are jeopardized if we debate this issue in public.

My objection, Mr. President, is not to the patenting process where you pay $2.50 an acre for the surface, or $5 for the surface. Not to disparage Western States, but all you have to do is drive over some of the desert lands out there and you know it is not worth $5 an acre.

What I have railed against here for 4 years is giving away billions and billions of dollars of minerals underneath that surface for $2.50 an acre. Mr. President, the surface value is irrelevant. Therefore, the Reid amendment is irrelevant to the problem. In some ways, the Reid amendment compounds and makes the situation worse. Take the Stillwater Mining Co. in Montana, about which much has been said today. They have applied for a patent on 2,000 acres and, just coincidentally, did it 4 days after I lost by two votes 2 years ago. Let us assume they are going to have to pay $5 an acre for that 2,000 acres. That means they are going to get 2,000 acres surface and minerals for $10,000. As has been said time and time again, underneath that 2,000 acres lies 32 billion dollars worth of hard rock minerals. Mr. President, that is not my figure, that is theirs. That is what they say is underneath that 2,000 acres.

So if the Reid amendment is adopted, poor old Stillwater will have to pay $200,000 for the surface.

The mining industry is paying three times that much every day just to kill this legislation. I sometimes think if we could get them to pay into the Treasury what they spend on lobbyists to defeat this legislation, we might balance the budget in this country.

The value of the surface is absolutely meaningless to Stillwater, just as it is meaningless to every one of the big mining companies of this country that defend this practice.

Not to disparage my good and respected friend, the senior Senator from Nevada, but it is so painfully apparent that his amendment is nothing but a canard. I would just as soon him say you can have the surface, not at fair market value, give it to them for $5. I am not going to object to that, Mr. President.

You want them to pay fair market value, and the Bureau of Land Management says that the average value, fair market value of this land is $100 an acre. If you add California, it goes up to a little more than $300 an acre.

Mr. President, I do not care what the fair market value is of the surface. That has nothing to do with the debate.

My colleagues, if you vote for the Reid amendment, you are saying I think what is going on in this country is just hunky-dory, just fine.

I had been wandering around the floor today, and I found letters on Senators' desks.

Here is one to the Senator at this desk that says the mining companies, just 30 mining companies in the last 3 years have spent $10,771,000 in New Mexico. The Senator from Nebraska has one on his desk showing what they spent in Nebraska last year.

I invite all Senators who favor the Reid amendment to tell me why that is relevant. I will tell my colleagues what I am thinking about doing. We have a tax bill coming up on the floor as soon as we finish this. I am thinking seriously about putting an amendment on that bill on behalf of a very big company in my State called Wal-Mart. I think I will put an amendment on it saying Wal-Mart will be exempt from paying all Federal taxes. They can pay State taxes, county taxes, city taxes, but I think Wal-Mart should be exempt from paying income tax. And I am going to put a note on my colleagues' desks about how many jobs Wal-Mart has in their States; I am going to put a note on their desks talking about how many goods Wal-Mart buys from the factories in their States and dare them to vote against my amendment to exempt Wal-Mart from income tax.

That makes just as much sense as this letter does.

I promise, as I did this morning, not one job will be lost, not one mine will be closed if the Bumpers amendment is adopted.

The Senator from Alaska talked about the judicial review provision in my amendment. Well, it is copied from the ANWR bill. It is copied from the bill that he knows more about than anybody in the Senate, the ANWR bill. It is common boilerplate language.

Mr. President, we have a $400 billion deficit this year—a $4 trillion national debt. The mining companies take somewhere between 1.2 and 4 billion dollars' worth of minerals off Federal lands every year and do not pay a nickel for it. And old Joe Lunchbucket, who works on the assembly line all day and just keeps getting further and further behind, would probably like to know why that is the case. Nobody is giving him that kind of largesse.

Mr. President, you always get a diversion about how many jobs are going to be lost. You get a diversion about all these strategic minerals that are being mined in the West. But when you ask this very simple question which is central to the debate today: Why is it that the mining companies, the biggest mining companies in America are

happy to pay private landowners up to 18-percent royalties for gold, it is because they have to. I am not going to let them mine my farm without paying me a royalty. And I am not going to let them mine my farm without putting up a bond to reclaim it when they finish, and my colleagues are not either.

They happily pay royalties when they mine on State lands—Montana, New Mexico, Wyoming, Utah, Idaho, Arizona. Every one of those States, if you want to mine on their land, by George, you are going to pay a royalty.

This debate is not about royalty. I am just throwing that in. It does not cost an extra penny.

Listen to this. They say that without a patent, that is, a deed to this Federal land, they cannot borrow money. Well, now, I ask this simple question. Eighty percent of the mining on Federal lands is on unpatented land. Where do they get the money to mine on unpatented lands? They do not have a deed to that. They obviously have no difficulty borrowing money to mine on unpatented lands. When they mine on private lands, they can get a lease and take it to the bank and borrow on it, and they do it. And when they mine on State lands, they do not get a deed to the land, and they mine it.

Why is it that they can borrow money, all they want, without a deed on private land, on State land, on other Federal lands, but if you suggest that we put a 1-year moratorium on giving them a deed to it, you get the impression that the world is just about to come to a close?

If we defeat the Reid amendment—and I divinely hope we will—and pass the Bumpers amendment, there will be 1 year for the House and the Senate and the American Mining Congress and all those who want to resolve this in a sensible way to sit down and do it.

The House already has a patent moratorium in their bill. They have exactly in their bill what I am asking for in mine. They do not have a royalty, and I am not asking for a royalty. Again, the debate has been diverted to that, but that is not an issue.

Why would we not do that to address a really critical problem in this country? If you vote for the Reid amendment, you are voting for more scandals. You are voting for more documentaries and talk shows and more anger by the American people about those people up there who do not hear our voices, about who is taking care of the special interests.

You are going to hear about more sales of Federal lands that are worth billions for $2.50 an acre or even $100 an acre.

Mr. President, I want to say to my colleagues that I believe they understand this issue. I believe when they come in here and hang their hat on something called face or fair market value, they are saying: I do not want to face up to this because I have some mining companies in my State. They may be contributors, they may not be. But everybody who walks in here after this debate, which has gone on all day, will know exactly what they are voting on, and at some point their constituents are going to know what they are voting on.

Mr. President, this is a time when the people of this country say: They cannot do anything right. They do not care what I think. They consistently spend more than they take in. They let people rob them blind, as they do on that mining bill. The place is in gridlock. And they are taking care of the big boys. They do not care about the rest of us.

That is a big issue in this country. That is a big issue on this bill.

I plead with my colleagues to defeat the Reid amendment and vote for the Bumpers amendment, and say to the people of this country that we are going to work something out that is sensible and that you will know we are trying.

Mr. President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator from Montana is recognized.

Mr. BYRD. Will the Senator yield, Mr. President?

Mr. BAUCUS. I am glad to yield to the chairman.

Mr. BYRD. Mr. President, I do not know how much longer this is going to go on.

The Senator from Montana wishes to speak for 5 minutes?

How long does the Senator from Alaska [Mr. MURKOWSKI] wish, 5 minutes?

Mr. REID. I would like 12 minutes to answer my friend from Arkansas.

Mr. BYRD. The Senator from Nevada wishes 12 minutes.

Does any other Senator wish time on the amendment?

Mr. STEVENS. Mr. President, may I inquire? I just was off on the telephone. I did not hear the Senator's request.

Mr. BYRD. I was attempting to find out how many Senators wish to speak, and how much time each Senator would like to have. Up to this point, three Senators indicated they wished to speak for a total of 22 minutes.

Mr. STEVENS. This Senator has no intention to speak unless the Bumpers amendment is not tabled.

Mr. REID. I am sorry. I could not hear the chairman.

Mr. BYRD. I ask unanimous consent, Mr. President, that the Senator from Montana have 5 minutes, that the Senator from Alaska [Mr. MURKOWSKI] have 5 minutes, the Senator from Nevada [Mr. REID] have 12 minutes, and that that close the debate on the pending amendment.

I would like to see an up-or-down vote on it, or if Senators wish a tabling vote, that is all right. I simply want to move on with the amendment and the bill.

Mr. REID. The Senator from Nevada will agree to that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. BYRD. So at the end of the 22 minutes there will be a vote. A motion to table has not been ruled out by the unanimous-consent request.

I thank all Senators.

The PRESIDING OFFICER. The Senator from Montana is recognized for 5 minutes.

Mr. BAUCUS. Mr. President, a little less than a year ago I expressed my intention to vote for the Bumpers moratorium unless there is substantial change in the 1872 law. It is clear. I think anyone who has thought about this issue knows that the 1872 act needs reform. There are abuses, there are a good number of abuses, and we have to address them.

I voted against the Bumpers moratorium a year ago. I said I would vote for the Bumpers moratorium if there were not substantial changes to the act.

Senator REID has a proposal which begins to address some necessary reform. Essentially, it is requiring fair market value on the patents. There is another provision in his amendment that says if the patent is not used for intended purposes it reverts back to Uncle Sam.

Those are good changes. We can work with what the fair market value actually is. If the valuation is incorrect, I think that is something we can address. I think most reasonably minded people would think that the fair market value is the value that the patent should cost; that is, the value of the land.

There are other areas that I think we have to address as well. I do not know how far we should go to address that. They include bonding requirements for reclamation, for example. I see the Senator from Nevada nodding his head affirmatively. That is an area that must be addressed.

There are other areas too. But those are not before us now. The only issue before us essentially is the alternative, the Bumpers moratorium on the one hand or the Reid amendment which addresses a major problem, on the other.

I guess we have a third choice, which is the status quo.

I am going to support the Reid amendment. I support the Reid amendment because it is fundamental reform and change for the better. It is a moderate position at this point.

Let us not forget we are now legislating on an appropriations bill, something we do with some frequency, but something we should not do nearly as frequently as we unfortunately do.

I think the wiser choice here is to support the Reid amendment, to not

support the Bumpers 1-year moratorium which will mean that we will begin to go down the road of meaningful reform to the 1872 statute, which then gives us a chance in a later forum, probably the Energy Committee, to deal with these issues, namely bonding requirements for reclamation, or in other forms that will probably be necessary, but in the ordinary legislative process where we begin to work away at the continued reform.

I just think that the Bumpers moratorium is too much. It is a 1-year flat moratorium. I tend to think that that is not necessary now. The Reid amendment is a better alternative.

We are beginning to make progress. I therefore urge us to accordingly support the Reid amendment, and not support the Bumpers 1-year moratorium.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, I thank the Chair.

I would like to address the Bumpers moratorium that is pending before this body and the Reid proposal which the junior Senator from Alaska feels is a conscientious effort to address some of the necessary corrections that are needed under the current mining law prevailing in this country at this time, known as the mining law of 1872.

I think it is noteworthy to reflect for a moment however on the predictions made by the Senator from Arkansas relative to the economy of this Nation: The $4 trillion deficit, the issue of jobs, the issue of balanced payments, and reflect on the drift of the mining industry in America today.

The mining industry in America today is getting worse as each passing moment goes by simply because there are more attractive areas to initiate exploration, particularly Russia which welcomes mineral exploration and development—more attractive than in the United States which because of numerous regulatory requirements puts conditions and commitments that do not make it attractive for the industry to invest in this area.

As a consequence, as we look at the economy in this country, we are seeing the mining industry posture very much like the energy industry.

It is simply abandoning U.S. exploration efforts and going overseas. As a consequence of that, it is taking those jobs overseas and is contributing to the deficit balance of payments. And it is the contention of the junior Senator from Alaska that if the extreme position is proposed by my friend from Arkansas, if it is passed by this body, you will see the mineral industry move outside of the United States, and we will become more and more dependent on imported minerals. We are already importing a significant amount from Africa, South Africa particularly, and the former Soviet Union, now the Russian Republic.

As a consequence of the matter before this body, I think it is appropriate that we address the Reid amendment as a serious and viable alternative.

I have served with the Senator from Arkansas for some time on the Energy Committee. I know of his commitment to this issue. He has brought it up numerous times within the committee structure, and his commitment is genuine to bring about a reform that is not in the sense of structurally addressing the prerequisites within the act, but to simply throw out the act and put the whole process up to a public bidding posture.

The consequences of that, Mr. President, would simply provide for interest only by major multinational corporations. They are the only ones that could basically afford to bid into the structure suggested by the Senator from Arkansas.

That kind of a proposal, I think, is so contrary to the public land use concept, where the basic prospector has the opportunity to go out and look for discoveries, initiate the necessary prove up, and the philosophy of a generation of an economic expansion is associated with the jobs, the community, the tax base, not necessarily what goes into the coffers of the Federal Government and is available from the highest bidder.

This is where, I think, we have a significant departing of values.

Let us face it, Mr. President, establishing a new bureaucracy necessary to implement the suggestions in the revision proposed by the Senator from Arkansas would cost the Federal Government an extraordinary amount of money. I would hate to see a pencil taken to the process, but clearly, it would establish a whole new bureaucracy.

How could the Government basically establish a value?

Well, we would suggest that the value has to be initiated by some type of expiration—core drilling, examination of the cores, and somehow set some parameters to establish value. The idea of letting the prospector, the individual, do this and initiate the basis to the job, I think, is much more feasible and in the interest of the traditions of the West.

Mr. MURKOWSKI. Mr. President, the national climate for development of our mineral resources is worse today than ever before in the history of our Nation and is getting worse every day.

We are fighting a battle that affects the very fabric of our country's economy. The charge is led by a very vocal, very powerful, very well organized, and very well funded, elite minority who oppose any consumptive or renewable use of the public lands. They are opposed to the very foundation of our economy—the development of our abundant natural resources.

Approximately one-third of the total land in our Nation is owned by the Federal Government, the vast majority of which lies in the Western States and Alaska. It is in these same States where the largest part of our mineral resources are concentrated.

Over two-thirds of these public lands have been withdrawn or restricted from mineral development. This shocking withdrawal has occurred largely as a result of failure to consider the cumulative impact of multiple public land withdrawals when acting on individual withdrawal proposals.

Consistently, proponents of each withdrawal tout the merits of each proposal and characterize an area as only a small part of the United States, or of the public land system, or of the public lands within a particular State. But these individual withdrawals which our Government has allowed to accumulate make up two-thirds of the public lands now withdrawn from mining.

Too many wilderness areas have been established without adequate regard for access to the area's minerals or access through the wilderness area to the minerals of an adjacent area. In fact, some wilderness areas have even been established specifically to prevent known mineral potential from being developed.

Mineral development in this country has suffered from the deliberate shift in public land policy from multiple use to no use. This no use land policy, implemented on an incremental basis and ostensibly in the public interest, has hampered our ability to compete abroad, contributed to our trade deficit, and caused our Nation to become dangerously dependent on foreign sources for our minerals needs.

Despite this serious situation, the national environmental groups and some of my friends in Congress have launched a full-scale attack on the spirit of individual initiative in the mining law of 1872. Their goal? Openly, sweeping reform to a law that has worked well for 100 years. Their unstated goal? To further tighten public lands policies by making it more and more difficult for both small and large miners to do business.

This assault on the mining industry comes at a time when mining—particularly hard-rock mining—is experiencing a strong comeback in Alaska. The Red Dog Mine near Kotzebue and the Greens Creek Mine in Juneau are just two examples of this striking comeback. They are solid proof of the mining industry's potential to provide more near-term expansion in jobs and investment than any other Alaska resource industry as oil revenues to our State dwindle.

For well over a century, the Federal mining law of 1872 has performed admirably in pursuit of its stated objective—to develop minerals on certain Federal lands. Under the law, the public takes it upon itself to explore Federal lands for mineral deposits. In re-

turn, prospectors are given the right to obtain and develop these deposits in the absence of any fees or unnecessary bureaucratic hassles from the Federal Government. Thanks to this system, the mining industry has played a major role in the economic and infrastructural development of Alaska and the Western United States.

But for some, this 100-year-plus track record of proven performance is not enough. Despite an unsuccessful attempt to impose a moratorium on the patenting of mining claims, antimining forces have again turned their attention to a major revision of the 1872 mining law. Bills have been introduced which would tear apart existing Federal mining law and replace it with an expansive and intrusive Federal bureaucracy.

While varying in their individual approaches, each of these bills would effectively take the job of prospecting Federal lands out of the hands of individual risktakers and leave it to the Federal Government to decide where and when mining can take place. The immediate effect of such a change would be that many people, especially small private miners and prospectors, will simply stop looking for minerals on Federal lands.

The proposed changes also include a proposal to require miners to pay royalty on their gross revenues and the initiation of a system of fees to be paid by individuals or companies mining or prospecting on Federal land. Here, again, it will be the small operation that suffers the most. Because so many of the expenses in mining are incurred up front, before revenues from production begin to flow, these changes will represent a powerful disincentive to small-scale mining operations.

There is room for reasonable improvement in this law. For example, no one intended that this law would provide a jobs program for real estate brokers. And I do not think anyone disagrees that reclaiming old mine sites is a necessary and important part of utilizing any natural resource. But before we heed the calls of the antimining crowd and undo a system that has formed the basis for the investments of hundreds of private individuals, a case for legislative reform must be made. Above all, the overall impact of any reform proposal on our domestic mining industry and our Nation's security must be carefully considered. Any consideration of revising the 1872 mining law should cause us to take a second look at the mineral potential lost due to the over 88 million acres of wilderness that have been closed to mining.

The country has changed a lot since 1872, but not quite as much as the antimining forces would have us believe. Alaska is now the last frontier. For our State to realize its potential, we can't afford to lose the spirit of initiative and enterprise which is at the heart of the mining law of 1872.

In Alaska, we are working hard to diversify our economy and plan for the future, we are forced to confront the competing goals and overreaching influence of outside interests. We face expanding Federal powers at the expense of State self-determination. This is a problem compounded in Alaska by the fact that nearly all Americans claim some degree of ownership of Alaska. This is a battle for my State's survival.

Alaska offers tremendous opportunity to improve our Nation's economy based on the wise use of our natural resources. This can be done and still retain the character of Alaska, with its wildness and its beauty.

Mr. REID. Mr. President, the Senator from Arkansas, among other things, denigrated the fact that there are foreign corporations who are involved in mining throughout the United States. As we know, foreign companies have investors in all kinds of businesses throughout the country. In Nevada, Arizona, Wyoming, New Mexico, those foreign companies that do have interests in mining ventures in the United States pay American dollars to the workers, American dollars to the suppliers, American dollars to the merchants.

The Senator from Arkansas asked why is there information on the desks as to how mining affects your State? And he gives some absurd thing about lobbyists. The point of the matter is that mining not only affects directly those workers who work in the mines in the States affected, but it also has impact, like the two Senators from Illinois. Hundreds of millions of dollars of equipment are manufactured in those States every year that are used in mines in Nevada and other places. That is the point.

The Senator knows that is the point. He is only trying to divert the facts, as he has through this entire argument. He said, well, only 75 to 80 percent of the gold is used in space, defense, and industry. Well, the fact of the matter is, it is about 60 percent which is used in the manufacture of jewelry.

But the point of the matter is, Mr. President, that those are real jobs, also; 154,000 people are employed in the United States in the retail jewelry industry, and that is not small peanuts; 65,000 in manufacturing jewelry; 48,000 in wholesale business; 37,000 people are employed in the manufacture of precious jewelry in the country; 11,000 in New York State alone, and 4,500 in Rhode Island.

Stable prices in the 1980's have rejuvenated the American gold jewelry manufacturing business and helped to create new demand for gold jewelry overseas. That is important.

We export gold, because they make jewelry in places like Japan. That is one of the positive trade factors we have with Japan. Gold jewelry demand in Japan has increased from 1.9 million ounces in 1985 to 4 million ounces in 1991.

They do not have a crop of gold of their own. They have to import it. They are importing it from us. That is good. So we should not denigrate the fact that people are engaged in making jewelry. It is one of the rare things in this country where we export. It helps our balance of trade.

The Senator from Arkansas says that the reclamation provisions are meaningless. Let me tell you, those reclamation provisions are very harsh, very difficult for people. Every Federal reclamation standard in existence applies to mining operations on Federal land.

He is making up things. He says reclamation means nothing. It means everything. The reclamation standards that were suggested by Senator BUMPERS in his substitute to S. 433 in the Energy Committee are the current reclamation standards required on Federal lands, subject to mining penalties.

The point is, what Senator BUMPERS has laid down apparently is no longer good enough to meet his own test. We are doing what he suggested should be done. This man will not take yes for an answer. We have given him what he asked for last year: fair market value. We have given him reclamation.

The BLM reclamation standards are very strict: air quality, water quality, solid waste, fisheries, wildlife, plant habitat, cultural, and paleontological resources. These apply to this amendment. He has run down, denigrated, and demeaned reclamation. There is significant reclamation in this amendment. It talks—I repeat—about reversion. If you do not mine on the land, it goes back to the Federal Government if you try to use it for some other source. That is what he talked about here for 4 years.

Now he says it is a diversionary issue, or means, or method. He will not take yes for an answer.

Mr. President, Nevada environmentalists favor this amendment. Why should they not?

Here is something that came across my desk. He talks about things coming across my desk.

"Please vote yes on Senator REID's amendment to the appropriations bill * * *" This comes from XL Mineral Co. They are in California: "Please vote yes on Senator REID's amendment to the appropriations bill on the floor today. While we are adamantly opposed to the imposition of holding fees and a patent moratorium, we believe Senator REID's proposal is the least offensive."

There is significant reform in my amendment. That is what the mining companies are saying. I hope that, after all is said and done, some sense of sanity will prevail and changes to the mining law will be given the attention and study they deserve. Not on the appropriations bill. It should be done in

the authorizing committees. It is time to dispense with propaganda and deal with the industry and the job it represents in a fair and honorable manner. We are disgusted by the propaganda being presented by Senator BUMPERS. There is no excuse for it. I do not know who the company is. But that is a fact.

The comment about news articles all being negative, people are angry, they certainly will be angry if they knew the false, fictitious statements made about an industry that employs 175,000 people in this country directly or indirectly.

Mining is important. The American public would be appalled—they would be appalled if they have the facts and they listen to the debate and there were tests given who was telling the truth.

The Arizona people, the Senator said, want the law changed. That is what we are trying to do. He read from the editorials. We want to change the law. That is what we are trying to do, as Senator BAUCUS said.

The fact of the matter is that the amendments that have been offered are substantive. If there were a test on the facts, my friend from Arkansas would fail that test.

Fair market value, reversionary interests, reclamation, that is what we are talking about, real substantive change. We are not trying to destroy an industry, an industry that some people do not understand and in fact they do not understand. They cite falsehood after falsehood even though there had been evidence presented to this body today time after time after time showing my friend from Arkansas does not present the facts as indicated.

How much time does the Senator from Nevada have remaining?

The PRESIDING OFFICER. The Senator from Nevada has 4 minutes and 20 seconds.

Mr. REID. Mr. President, the Senator from Arkansas has asked for me to give to him 30 seconds, and I would be happy to do that. I just do not want the time to run out, because I would like to at least have the last word on this issue. If the Senator from Arkansas is in hearing distance, I suggest he come forward if he wants the 30 seconds; otherwise, I will not have 30 seconds to give him.

Mr. President, the National Association of Counties supports it. The school boards supports it. And fair market value is not this fictitious $100 that my friend from Arkansas has come up with.

I have recited in California where the patents were issued, the thousands of dollars an acre that they stated there that they gave fair market value there: Arizona, $1,800 an acre. The fair market value is fair market value according to Federal standards. My friend from Arkansas keeps spewing out the $100. It does not mean anything.

That is not what he was saying last year on this floor on September 21. As a result of that, I agreed I would try to get substantive changes in the mining law. I came here this morning and presented these changes and suddenly we do not get it, and my friend will not take yes for an answer.

I do not know what it would take to satisfy my friend from Arkansas. Perhaps it would take closing up all mines. As the senior Senator from Alaska said, he believes that in fact is what the Senator from Arkansas wants, and it appears that is the case. He will not take yes for an answer. The fact of the matter is that reclamation, reversionary interest, and fair market value are substantive changes in the 1872 mining law and the Members of this Senate should support this amendment.

I yield 30 seconds to my friend from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 30 seconds.

Mr. BUMPERS. Mr. President, I want to make two points. If the Senator's amendment had been in place in 1991 it would have yielded a whopping $395,000 to the U.S. Treasury. You think about that. That is how powerful his amendment is. That is $395,000 to mine billions and billions of dollars worth of minerals free.

No. 2, there is a rumor going on that you can vote for Bumpers and Reid both. You can do that, but if you vote for the Reid amendment you torpedo the Bumpers amendment.

Mr. REID. Has all time expired, Mr. President?

The PRESIDING OFFICER. The Senator from Nevada has 1 minute and 24 seconds.

Mr. REID. Mr. President, the Senator from Arkansas has fortuitously answered one of his own questions. The fact of the matter is that I again do not know where he came up with the figure that, $395,000 would be obtained. That may be the case if he uses his $100. But the fact is there are so few patents issued anyway; as we talked about earlier today, about 20 last year in this country. That is all we are talking about.

Remember, though, Mr. President, that we are trying to respond to criticism of fair market value is not in the mix. This is fair market value. And it would help a situation regarding those 20 patented claims, new claims that come on board. Remember this royalty, this holding fee, these types of things are diversionary tactics by my friend from Arkansas. We have substantive changes. That is what we have addressed. Please focus on that. What I ask my friends to do is focus on the actual facts of this amendment, not some spurious argument that has nothing to do with the 1872 mining law.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WIRTH. Mr. President, I am going to support Senator REID's amendment. Frankly, I would like to do more, and if the amendment tree were not already full, I would support amending his proposal to do more.

In particular, I think we should have a stronger reclamation standard. My State, Colorado, has a very detailed and progressive reclamation standard, and I think that it is both livable for the industry and a great help in ensuring that today's mines don't become environmental problems in the future.

I would also like to see some of the holding fee collected in this bill put to use reclaiming old, abandoned mines—not just to cap them to protect people from falling into them, but doing the work needed to stop acid mine drainage and other environmental problems caused by old, abandoned mines.

I would like to see us end the application of the mining law to so-called uncommon varieties of common materials—that is, sand, gravel, rock, and other non-ore materials. Under that provision, we sell rock for fair market value when it is not worth much—but if it's uncommon, we dispose of it under the mining law. That should end.

I could be persuaded to do even more on these and other issues, too—if we could engage in this debate.

But the alternative to the Reid amendment is Senator BUMPERS proposal to put a moratorium on further patenting of mining claims. Unfortunately, that does little to take us closer to a real solution to the real issues that need to be dealt with in updating the mining law.

I think Senator BUMPERS amendment is largely intended to be a referendum on whether change is needed. I agree that change is needed. But I far prefer to deal directly with what those changes should be, and whether the changes will be reasonable and practicable.

Senator BUMPERS said earlier this year that he would try to report legislation out of the Energy Committee, and he even offered a proposal that was not too different from Senator REID's. I encouraged that, and I was looking forward to our grappling with these issues in that legislative forum. Unfortunately, Senator BUMPERS decided not to pursue that. I think that is a shame, because I believe he could have put together a good package—not everything he would want, to be sure, but something that did address most of the major issues, and something that could actually pass and be enacted into law. And that is something we do need to do.

Mr. DASCHLE. Mr. President, I wish to make some comments about the amendments before the Chamber today on the Interior appropriations bill relating to hard rock mining. This is an important issue for my State of South Dakota, as well as the Nation.

In South Dakota, almost 3,000 people are employed by the mining industry. The great majority of this mining is for gold, and almost all of it occurs in the Black Hills. The mining occurs on both private and public lands. The public lands at issue are in the Black Hills National Forest. This is a very small national forest, and one of the most intensely used forests in the Nation. The uses range from a very viable timber industry, to mining, to recreational uses, and wilderness. Because of the size of the Black Hills and the intense local interest in its management, my perspective on the mining law is different from many of my colleagues from the West.

I support mining. I want a strong mining industry because of the jobs it provides and the revenues it generates. But the mining law of 1872 needs to be reformed. That is why I have supported the Senator from Arkansas [Mr. BUMPERS] in the past in his efforts to place a moratorium on the issuance of patents, and I still support his amendment. But I also support the efforts of Senator REID to address some of the real problems with the 1872 law.

The Senator from Arkansas deserves credit for pushing mining law reform all these years. He has taken a lot of shots on this issue, and, to be honest, he hasn't received much help. A 1-year moratorium is not the death knell of the mining industry, and those that describe it as such are guilty of hyperbole at its greatest. What it does, however, is signal that we need to come to grips with this law and bring it into the 20th century.

I believe that is what Senator REID is attempting to do. I would prefer that this were being done in the Energy Committee through the normal processes, but since we are debating the issue here, we need to look at it on its merits.

The most egregious abuses of the mining law, the ones that make "60 Minutes" and "Prime Time Live," have to do with the patenting system and especially the fees, $2.50 and $5 per acre, that were set in 1872 to reflect market prices. Clearly, these fees do not reflect market prices today. Moreover, under current law, there is no requirement to actually mine a patented claim. You can build a house, or, even better, sell it to developers at incredible profit. The taxpayers are the big losers in this scenario, especially those who used to enjoy this section of public land. To be honest, these types of abuses are fairly minor; still, there can be no argument that they need to be addressed.

As I understand it, the Reid amendment would change the $2.50 and $5 patent fees to fair market value, thereby eliminating the incentive to resell the land for other uses. Moreover, as a further safeguard, the Reid amendment would make a claim revert to Federal ownership if mining ceases to occur. Another aspect of the Reid amendment would require reclamation on mining Federal lands, a requirement that most States have but that some do not. Unfortunately, there are other things that I had hoped would be in the Reid amendment, namely bonding, that do not appear. But based on Senator REID's assurances, this issue will be addressed.

Combined with the $100 holding fee that is already in the bill, the Reid amendment is a good start to reforming the mining law of 1872. Other issues, such as whether mining should have priority over all other uses under FLPMA, is a very legitimate issue for discussion, but I would hope that this could be done in the authorizing committees.

In closing, I just want something to be done on this issue. It has festered for too long, and until real changes are made, the image of the mining industry will continue to suffer, as will the taxpayers and the environment. If the Reid amendment passes, we will have made a step to improve the situation. If it fails and the Bumpers amendment passes, the pressure will stay on to make real reforms, and this, too, is positive.

Mr. BINGAMAN. Mr. President, I rise today to support the amendment offered by my colleague from Nevada, Mr. REID, that proposes changes to the 1872 mining law. This is a very contentious issue, and I support my colleague's effort to respond to the difficulty we have had in the Senate in addressing this issue through authorizing legislation. Although this amendment may not please all advocates of mining law reform, it is an important first step in addressing the most egregious abuses. If the Reid amendment becomes law, the Federal Government will receive an average of $325 for each patented acre—a big increase over the $2.50 and $5 per acre in the current regime. This amendment should also go a long way toward preventing abuses arising from patenting for nonmining, speculative purposes. This amendment will also, for the first time, codify reclamation in the 1872 mining law.

Mr. President, I believe it is important that we acknowledge the opportunity that this amendment offers, namely a chance to make some long-overdue changes to the 1872 mining law.

Mr. BUMPERS. Mr. President, I move to table the Reid amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas to lay on the table the amendment of the Senator from Nevada.

On this question the yeas and nays have been ordered and the clerk will call the roll.

Mr. FORD. I announce that the Senator from North Dakota [Mr. BURDICK] and the Senator from Tennessee [Mr. GORE] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

I further announce that the Senator from North Carolina [Mr. HELMS] is absent due to illness.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote "nay."

The result was announced—yeas 44, nays 52, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—44

Adams	Harkin	Nunn
Akaka	Jeffords	Pell
Bentsen	Johnston	Pryor
Biden	Kennedy	Riegle
Bradley	Kerrey	Robb
Bumpers	Kerry	Rockefeller
Byrd	Kohl	Roth
Chafee	Lautenberg	Sanford
Cohen	Leahy	Sarbanes
Cranston	Levin	Sasser
Dodd	Lieberman	Simon
Exon	Metzenbaum	Warner
Fowler	Mikulski	Wellstone
Glenn	Mitchell	Wofford
Graham	Moynihan	

NAYS—52

Baucus	Domenici	Murkowski
Bingaman	Durenberger	Nickles
Bond	Ford	Packwood
Boren	Garn	Pressler
Breaux	Gorton	Reid
Brown	Gramm	Rudman
Bryan	Grassley	Seymour
Burns	Hatfield	Shelby
Coats	Heflin	Simpson
Cochran	Hollings	Smith
Conrad	Inouye	Specter
Craig	Kassebaum	Stevens
D'Amato	Kasten	Symms
Danforth	Lott	Thurmond
Daschle	Lugar	Wallop
DeConcini	Mack	Wirth
Dixon	McCain	
Dole	McConnell	

NOT VOTING—4

Burdick	Hatch
Gore	Helms

So the motion to lay on the table the amendment (No. 2882) was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the Reid amendment.

The amendment (No. 2882) was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the Bumpers amendment, as amended.

The amendment (No. 2881), as amended, was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 3 of bill.

Mr. STEVENS. Mr. President, did we move to reconsider that?

Mr. BYRD. Mr. President, I withdraw the committee amendment.

The PRESIDING OFFICER. The Senator has withdrawn the committee amendment.

The committee amendment on page 3 was withdrawn.

Mr. STEVENS. I move to reconsider the vote by which the Bumpers amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from West Virginia is recognized.

Mr. BYRD. I assume Senator REID will withdraw his amendment——

Mr. REID. That is true.

Mr. BYRD. To the second committee amendment.

Mr. REID. As the chairman suggested last night.

Mr. BYRD. Mr. President, let us vote on the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the Reid amendment No. 2868. Does the Senator withdraw that amendment?

Mr. REID. Parliamentary inquiry.

Mr. BYRD. Does the Senator withdraw his amendment?

Mr. REID. I thought that had been done. Mr. President, the chairman of the Appropriations Committee directed a question to me which I thought was in the form of a unanimous-consent request that my amendment be withdrawn. I acknowledged that.

Mr. BYRD. Mr. President, I ask unanimous consent that the amendment offered by Mr. REID be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2868) was withdrawn.

The PRESIDING OFFICER. The question is now on agreeing to the committee amendment on page 101.

The committee amendment was agreed to.

BUDGET COMMITTEE STATEMENT ON THE INTERIOR APPROPRIATIONS BILL

Mr. SASSER. Mr. President, the Senate Budget Committee has examined H.R. 5503, the Interior appropriations bill and has found that the bill is under its 602(b) budget authority allocation by $185 million and under its 602(b) outlay allocation by $3 million.

I compliment the distinguished manager of the bill, Senator BYRD, and the distinguished ranking member of the Interior Subcommittee, Senator NICKLES on all their hard work.

Mr. President, I have a table prepared by the Budget Committee which shows the official scoring of the Interior appropriations bill and I ask unanimous consent that it be inserted in the RECORD at the appropriate point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 5503

INTERIOR SUBCOMMITTEE SPENDING TOTALS—SENATE REPORTED

[In millions of dollars]

Bill summary	Budget authority	Outlays
Domestic discretionary	13,035	12,664
Senate 602(b) allocation	13,220	12,666
Difference	−185	−2
Defense discretionary	14	11
Senate 602(b) allocation	14	13
Difference	0	−2
Mandatory total	79	78
Senate 602(b) allocation	79	78
Difference	−0	0
Bill total	13,128	12,754
Senate 602(b) allocation	13,313	12,757
Difference	−185	−3
Domestic discretionary above (+) or below (−):		
President's request	478	168
House—passed bill	62	41
Senate—reported bill		
Domestic discretionary above (+) or below (−):		
President's request	14	11
House—passed bill	14	11
Senate—reported bill		

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I hope that Senator LIEBERMAN will call up his amendment dealing with Bosnia and we can get a time agreement on that amendment, say, 1 hour to be equally divided, during which time both sides could work to try to ascertain what the remaining amendments are so, hopefully, before the Senate goes out this evening we could limit any further amendments to those amendments that we are able to flush out of the woodwork.

Mr. WALLOP. Will the Senator yield?

Mr. BYRD. Yes; I will be glad to yield.

Mr. WALLOP. Mr. President, I am all in favor of trying to determine the number of outstanding amendments that are relevant to this bill. But I have to say that I will not be inclined to grant a time agreement to the Lieberman amendment, and especially I will have to inform the Senator that it is my intention to offer one and perhaps two amendments to it, for the lack of information that may be in the minds of other Senators about this on Bosnia-Hercegovina.

I think, as dreadful as the news from there is, and as poignant and as painful and as terrifying as it is, this Senate is moving too quickly without enough information. I say that with great respect for my friend, but there is to be a hearing in the Armed Services Committee on Friday on this issue and I will say that at the hearing that was held today, a member of the American Armed Forces told us that it would require two divisions just to secure the airport and the safe route. Italians cannot do it; Germans cannot do it; Brits will not do it, and I am desperately worried that we are moving to satisfy emotions that we all share with hardships that we may not be willing down the road to bear.

I hope that we will wait until we have the hearing. The Senator from Georgia [Mr. NUNN] has scheduled hearings on Friday. I have every sympathetic reaction in the world, I say to my friend from Connecticut, but I am desperately worried about the consequences of this amendment being acted upon before we really know.

Mr. WARNER. Will the Senator yield?

Mr. BYRD. Mr. President, I have the floor. I will be glad to yield.

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. WARNER. Mr. President, I join my colleague from Wyoming. I spent the last 2 hours studying this amendment, and indeed we all share with compassion this terrifying series of events that is taking place.

As the amendment is now drawn, in my judgment it could be construed as a blank check to the United Nations to at any time ask this Nation for Armed Forces of indeterminate amount. It does not set forth a specific set of objectives. It does not in any way have in there what we would achieve, how long we would have to stay. I remember so well this Chamber going through the series of carefully programmed debates, consultations with the President, before we acted on Iraq, and here in a matter of an hour someone suggested we are about to vote on a resolution which this Senator would require at least 1 hour of colloquy and questioning with those who are propounding the amendment, to get a basic understanding of the language itself and the parameters. And then in all likelihood, if it were to be voted as drawn now, this Senator would have to vote against it.

Several Senators addressed the Chair.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Georgia [Mr. NUNN].

Mr. NUNN. Mr. President, we do plan to have, as the Senator from Wyoming has indicated, an open hearing on Friday. We are lining up the witnesses. We hope to have witnesses who will speak to the policy. We hope to have witnesses who will speak as much as possible to what is actually occurring there now. All of us are very, very concerned about the situation there and about the reports we read of brutality and murder and inexcusable human conduct.

We will also have witnesses who will testify about the military implications and about the various military options. We will do as much as possible on Friday in open session. We cannot guaran-

tee that all of it will be open session, but I think what we have lacked as a body, as a legislative body and as a nation, is a discussion of the options.

It is not a simple matter. It is a complex matter and I think we would be well advised, whatever we do with this particular amendment, before we take any final action, to understand the implications of what we are doing and to choose carefully the options that we advocate.

Mr. PRESSLER. Will my friend yield? Mr. President, will there be the possibility of a compromise under which we have a 2- or 3-hour debate on this on Monday or Tuesday with assurances of a rollcall vote so it would not hold up this bill? I am very much for this resolution. I also want to move forward on the pending bill. If we can be assured of a 2- and 3-hour debate with a vote on this resolution, I think we can move forward. I am a cosponsor of this amendment. I think it is a defining issue in foreign policy at this moment for the President and for the Congress.

The PRESIDING OFFICER. The Senator from West Virginia controls the floor.

Mr. BYRD. Mr. President, I do not have any desire to interfere with this colloquy. I think it could be helpful in arriving at some kind of a decision either to go forward with the amendment or not go forward with it or if we want a free, separate, freestanding resolution.

I do wish the Chair to protect my right to the floor. I ask unanimous consent that I may yield for such colloquy without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I say to my friend that I would be prepared to go forward at some point in time, providing the Senate has had a full opportunity through the Armed Services Committee, and in all probability the Foreign Relations Committee, if they wish to have a hearing on it. The intelligence Committee had a hearing of some 2 hours today. It was very helpful. But until there is a complete record before this body, I would object to any specific time for a vote on this amendment, or one like it.

Mr. PRESSLER. I say to my good friend that we must try to get a vote on this important matter somehow. I cannot speak for anyone except myself. I speak only for this Senator. However, I feel strongly that we must get an agreement to have a debate and a vote on this issue. I think it is a defining moment in foreign policy—a defining moment for the Congress. This is a holocaust, a genocide, going on in today's world. Unless Congress speaks to it, this will be a very unfortunate moment in our history. I think it is a defining moment for all of us. And I plead with my colleagues, let us have a vote on it; let us not run away from this issue. It is going to be a tough vote because it involves the possible use of U.S. military force.

Mr. D'AMATO. Mr. President, I wonder if I might——

The PRESIDING OFFICER. The Senator from New York.

Mr. LIEBERMAN. Will the Senator yield?

Mr. D'AMATO. Certainly.

Mr. BYRD. I yield for purposes of a colloguy.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Chair will call upon Senators to be recognized with the understanding that the Senator from West Virginia can require to be recognized at any such time he may desire.

The Senator from New York.

Mr. D'AMATO. I want to just make a very brief statement.

This amendment does not call for the commitment of U.S. troops. We call upon the United Nations, or ask the President to call for an emergency meeting of the U.N. Security Council, and it says, yes, the Security Council should be authorized under article 42 of the United Nations Charter to use all necessary means to give effect to Security Council decisions in regard to Bosnia-Herzegovina, and it says "including"—it does not say you have to—"the use of multilateral military force under the Security Council's mandate to ensure the provision of humanitarian relief and to help protect the civilian population against the use of heavy weapons in conjunction with a United Nations supervised cease-fire."

We are not saying send in, land troops. We are saying let us get—we should be in the leadership of getting the United Nations to face up to its responsibility. Now, we have watched, and watched, and watched. We have negotiated, negotiated, negotiated through the aegis of the United Nations. We see little, if any, progress, but we see the slaughter of the innocent.

I am not suggesting we send a division, or two divisions, or three, or any for that matter, or any American troops as such. But if we do not get the United Nations to do more than just give lip service to what is taking place, to the tragedy, to the killing of the innocents where we now see vans that clearly were taking out children being shot upon—what does it take to get us to stand up?

We sat back, and I recall—and I will bring it up again; I do not care how many times—in May 1990, when I said, my gosh, why do we not send at least a clear signal to a guy who was certainly, as I will continue to call him, the Butcher of Baghdad, everybody got upset.

This Milosevic is a killer of Hitler-like proportions in what he is doing. He is demented. And we cannot say we do not know what is happening. We said it during the Holocaust. We know what is happening.

Will it take some risk? Maybe. But that is our position as being special. The United States is special.

Am I my brother's keeper? You better believe it. Because this Nation has been for us, for our families, for those who came here, it has been the haven. We are the haven that should be for freedom. If we take great credit when they say, oh, look, the walls came down, and people are free, well, then we have a responsibility to act at least to bring this before the United Nations in a forceful manner and to say we are not just going to use lipservice, and if necessary we will use force.

Is it difficult to distinguish all the parties? Sure, it is. But if we want to hide behind some report that says we cannot clearly delineate where all the orders are coming from the surrounding area, from the bombardment, for the killing of the people, then shame on us.

We have to know with clear definition whether or not there are killer death camps, how many, how many people have been killed, 50,000 people at least, most of them civilians, ethnic purification, purges, separation of people, Muslims being led away because they are Muslims, Croats because they are Croats. What will we say when we see the same kind of condition and it is too late and it takes place in Kosova? Will we then step in and do something?

I am not suggesting to you that we do anything other than what this amendment calls for, and that is to urge the United Nations really to be more forceful and, yes, for us to make whatever commitment necessary to secure some kind of semblance of aid to the most beleaguered. They are wondering how is it that the world community is allowing it to take place. We should not add our name to those who are afraid to go forward in the cause of peace and the cause of justice.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank the Chair, and understand the Senator from West Virginia retains the right to the floor.

Let me say to my colleagues that this resolution is the result of several days of effort by a number of Members of the Senate, all concerned about the outrageous events in Bosnia, concerned that we have gone now more than a year and watched Serbian aggression since the dissolution of Yugoslavia, first into Croatia, now into Bosnia, next into Kosova, perhaps Macedonia, the implication being that in the new world order there is no order, and now

these increasingly devastating stories of atrocities within Bosnia crying out for some kind of action.

We are dealing here with a Serbian leader, Milosevic, who has not responded to any of our entreaties that have been peaceful, no economic sanctions. Lord Carrington, Secretary Vance, they have all been over there trying to work this out and nothing has happened.

This Senator is fearful that in some ways like our experience with Saddam Hussein, it will take a moment when Milosevic is looking down the barrel of a gun for him to realize that it is time to stop the aggression.

We are not in this resolution aiming to get America into a war, to win a war. This is an attempt to work with the international community, led in effect by our allies in Europe, in whose neighborhood this is occurring, to use force in a limited way to bring the parties there to the peace table.

The aim of the resolution, when it started out, I would say to my colleagues, was simply to urge the President to go to the Security Council to seek authorization for the Security Council to take whatever action is necessary to enforce its own decisions.

Along the way, the resolution picked up some other parts suggested by other Members of the Senate, for instance that the United Nations and International Red Cross should be granted access to the alleged concentration or death camps to inspect what is happening there, that the Security Council should review the embargo and arms sales to Yugoslavia; that we may review with an eye to whether it makes sense for some nations to have the liberty to supply arms to the relatively defenseless Bosnians. And finally another suggestion by another Member that the U.N. Security Council should convene a tribunal to investigate allegations of war crimes.

So this is an expression of outrage, impatience.

Obviously, in a resolution of this kind, it is not up to us no more than it was when we debated so fatefully the question of Operation Desert Storm to determine what kind of military action we are talking about. That is up to the generals. The question here is whether the Senate wants to encourage the U.N. Security Council to be willing to form a multilateral force that can attempt in a limited way to apply force to bring about the resolution we seek.

Mr. WARNER. Will the Senator yield for a question?

Obviously the Senator respects his colleagues on the Senate Armed Services Committee. I would prefer, of course, that this resolution occur unanimously, if possible, because I am sure all of us in this Chamber are outraged by the stories we are hearing.

If you are going to understand my impatience, we have done a lot of work here the last week trying to bring the various parties together, of both parties, Senators of both parties, to have this be a truly powerful bipartisan expression of the willingness to lead.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. LIEBERMAN. Yes.

Mr. WARNER. Let me give the Senator an example of where I have some concerns. I fully appreciate the hard work that has been done, negotiations that have been done, and the importance of this body making a statement. But when you call on the President to immediately call for an emergency meeting of the U.N. Security Council in order to authorize under article 42 the U.N. Charter, here are the magic words, "all necessary means," that was the same language that this Chamber used in the Iraq resolution, which implies military force. Am I not correct?

Mr. LIEBERMAN. The Senator is correct.

Mr. WARNER. Then let us go on, to give effect to Security Council decisions in regard to Bosnia-Herzegovina, including the use of multilateral military force—now the specifics—under the Security Council mandate to ensure that provisions of humanitarian relief and help to protect the civilian populations against the use of heavy weapons.

I say to my friend, that in the mind of military experts, that means land forces. Am I not correct?

Mr. LIEBERMAN. That certainly is not the intention of the sponsor.

Mr. WARNER. Does the Senator think we could do this with just air and naval to ensure the provision of humanitarian relief to protect the civilian population when we have agreed today their fighting is not just in the Sarajevo area? It is all over in many cities. And the alleged atrocities are taking place in many areas.

I cannot find a military person who can tell me that we can achieve that result with simply the use of air and sea.

I follow up with this comment. To date—I just checked it a few minutes ago with the Secretary of Defense—the President of the United States has gone only so far as saying that sea and U.S. air would be made available to some type of U.N. operation; again, a reservation, indeed perhaps an absolute denial of the use of U.S. land forces.

If I am correct that land forces would be required, then whose land forces are we talking about when you ask the President to go to ask for this authority? Which country is to put in the land forces? Our President says somebody else will do it. Is that the purport of this resolution?

Mr. LIEBERMAN. I appreciate the Senators question. That is not the purport of the resolution. In fact, it is quite consistent with what we gather is the intention of the administration now in its efforts at the United Nations which is to convince the Security Council to vote to use all necessary means to enforce their own decisions.

But I think there is no sponsor, if I may say to the Senator from Virginia, no Member of the Senate who at this point sponsored this resolution who desires to see the introduction of ground forces in Bosnia.

May I say finally, I have great respect, of course, for the Senator from Virginia. While I have a sense of impatience because of the outrages that are occurring, I do not want this Senate to act on this matter in a spirit of division. We may have policy differences but I certainly think there should not be division over differences of words.

It would not be my intention and reaction to what the Senator and others have said to force this on the floor. But echoing the words of the Senator from South Dakota, I think if we lay it aside at this point, we all ought to work together and set a time certain to come back to this before we depart the middle of next week because every day that passes, as we all know, people are starving and dying.

Mr. WARNER. I hope we can do just that, and I hope we reach a resolution onto which this Senator can add his name in support. At the present time, I feel that I would have to object to the draftsmanship, no matter how earnest and sincere it has been.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, I am a cosponsor of this resolution. I cosponsored a number of resolutions in the past year to try to figure out some way to send a message to the hard-line Communist dictator in Belgrade, Milosevic. He has a hearing problem. It is like Saddam Hussein. He does not hear anything.

There are a lot of people to blame. I know it is very complicated. There was very interesting briefing today that alerted a lot of people to the problems that some of us are have not been aware of. I talked to the Secretary of State earlier today. They do not have any problem with the U.N. resolution. They do not have a problem with using force in certain cases where humanitarian aid is needed. I do not think there is any real problem.

I do believe there will not be any time agreement tonight. Perhaps it is better to wait and have the hearing in the Senate Armed Services Committee, and take this up freestanding maybe Friday or at the latest Monday.

I would certainly be prepared to work with the Senator from Connecticut and the Senator from New York and others, the Senator from South Dakota, the Senator from Arizona, to see if we cannot get it. I understand the majority leader would not object to bringing it up on a freestanding basis on its own.

If we can facilitate that without spending 2 hours debating whether or not we are going to do that Friday of this week, I assume the distinguished chairman of the appropriations committee would like to move on with the Interior bill.

Mr. DECONCINI. Mr. President, I appreciate the position of the Senator from Kansas on this. I realize the administration has a lot at stake. We all feel pretty strong about it. The Senator from Kansas has spoken on the issue.

I just want to say I am not going to insist we do it tonight. I cannot wait. Maybe because you get too close to the forest to see the trees. But I have been at Sarajevo. I talked to the President of Bosnia-Herzegovina in Helsinki just 2 weeks ago. I talked to the Foreign Minister. I paid attention to the issue as many others have here.

I respect the Armed Services Committee's right to hearings and to object to this. But I cannot wait until Monday or Wednesday of next week.

The Senator from Connecticut is trying to find an accommodation here. Certainly the Senator from West Virginia deserves accommodation after the day he has been through with the Western Senators taking up his whole bill. But I have to give some notice. I am not going to wait until next week because I feel very strongly about this. If we get defeated, so be it. But somebody has to speak out as to what is happening there. We cannot put it off. We have put it off now for weeks and weeks and weeks.

We have to act and the people have to make a judgment. Do we want to encourage the United States to use all its efforts in the United Nations to get a resolution from the Security Council that would authorize the use of force to get humanitarian aid into Sarajevo and reopen that airport? That is what we are talking about. I do not think we ought to put if off.

I am going to be quiet now and let it go tonight if that is the will of my friend from Connecticut. But I am not going to put if off until next week.

Mr. DOLE. Will the Senator yield? I have another suggestion. There is one thing we might do. I hope that we might take it up as early as Friday of this week. One thing we might do—a lot of people are in agreement—we might send a letter to the head of the United Nations saying the same thing, and get it up to there tomorrow. But that is another way to approach it.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, earlier this week, I had a meeting concering the situation in Yugoslavia with some members of the editorial board of the Washington Post, an American citizen of Albanian descent, and a doctor from Kosova. I also raised this issue with the President of the United States in another meeting this week. I say this to demonstrate how serious I believe this issue to be. It is my hope this body will take up and vote on the matter within the next few days.

Mr. BIDEN. I thank the distinguished chairman.

Mr. President, I say, for the edification of my colleagues, that in the Foreign Relations Committee, we held the only hearing—a closed hearing—where representatives of the Joint Chiefs of Staff and other agencies came before us and talked extensively about the various options to use military force. I invite my colleagues who have an interest in that to take a look at that record. I will not speak to that, because it was a closed hearing.

Let me point out two things about the resolution of my friends from Connecticut and Arizona. What is called for here essentially allows the United States a veto power over whatever use of force occurs anywhere. All they are calling for is that the United Nations should authorize the use of force to accomplish two things. They are not calling for an end to the war. They are not calling to end what is essentially an invasion. They are not calling to end all of the slaughter. They are saying: A, facilitate the delivery of humanitarian aid; B, what the United Nations has approved, get that heavy equipment, which is the thing that is killing all those poor Bosnians; get that under the control and supervision of the United Nations, whether it is in the hands of Bosnian Serbs or Bosnian Muslims or Bosnian Croats; get that under control.

In other words, to implement the U.N. sponsored plan to place this heavy equipment under the control of the United Nations.

So it is not an expansive grant of authority to use force. It is not requesting the United Nations for an expansive grant of authority to do what probably would require 100,000 150,000, 200,000, or 500,000 forces, which is to bring peace and tranquility to Yugoslavia.

But we can help stop the mayhem now, the wanton killing, the indefensible killing of innocent civilians as a consequence of the firepower in the hands of the Bosnian Serbs, who are exercising and purging ethnically the area that they wish to be greater Serbia.

So it is limited in what we are asking the President to ask the United Nations. It is manageable and does not deal with or speak to whether land forces are used or air forces or any other particular force.

I compliment my friends on their initiative. I thank the distinguished Senator from West Virginia for granting me the time.

Mr. LEVIN. Will the Senator from West Virginia yield 2 minutes?

Mr. BYRD. I yield for 2 minutes to the distinguished Senator from Michigan.

Mr. LEVIN. I thank my very patient and good friend from West Virginia. It has been suggested here that this resolution provides a blank check—I think those words were used—to the United Nations. It does not. We have a veto at the United Nations. We have to sign any check which is written by the United Nations. The Security Council would have to act, and we are a permanent member with a veto. There is no blank check in this resolution.

Second, the administration's own position at the United Nations is to support a resolution which provides for military force to support relief efforts. When I asked the Assistant Secretary of State this morning if that continues to be the administration's position, to support force, to support the relief efforts, his answer was that it continues to be the administration's position.

It happens to be that they would want to use air assets and naval assets. That is still force. I think it is a very sensible position. But that is still force at the United Nations.

Mr. President, there is credible evidence of a genocide taking place in this world before our eyes. We must act. And I agree with the Senator from Arizona very strongly that this cannot wait until next week. We have an obligation to act, and we must act promptly, because of what is occurring before the eyes of the world in Yugoslavia.

I thank my friend.

Mr. LIEBERMAN. Will the Senator from West Virginia yield 2 minutes?

Mr. BYRD. Mr. President, I yield 2 minutes to the distinguished Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, it is obvious to me in the Chamber that everybody who has spoken shares our outrage about what is happening in Bosnia, and I hope and believe wants the United States and United Nations to play a more active, aggressive role in bringing about a resolution to that problem.

In fact, in line and in support with what we gather, as the Senator from Michigan just indicated, is the intention of this administration at this point; but having heard from—appreciating the support given by the Senator from Delaware and others to the resolution—and I think he accurately expressed our intention—but acknowledging the concerns expressed by the Senator from Virginia and the Senator from Georgia, I would intend not to introduce the amendment at this point, and to urge my colleagues to join in the quickest, broadest consideration of the amendment, and to express my intention on behalf of those who have worked most actively with me in preparing this resolution—the Senator from Arizona, the Senator from New York, and the Senator from Michigan—

to repropose the amendment, or one quite similar to it, before the end of the week.

I hope that, in that time, the Senator from Virginia and others who have concerns about the wording of the resolution would work with us so we might, in fact, give unanimous expression to our moral outrage, our strategic interests, and our need for action quickly, because people are starving and dying with each day that passes.

Mr. WARNER. Will the Senator yield me 2 minutes to make a reply?

Mr. BYRD. I yield 2 minutes to the distinguished Senator from Virginia.

Mr. WARNER. Mr. President, I will work as hard as I can to accomplish that result, and I pledge to you that I want to join in an amendment. But I say to my friend from Delaware and my friend from Michigan, just take a look at this one word in here. You ask the President to get a resolution, and I quote it: "to ensure"—that is an operative word—"to ensure that provision of humanitarian relief and to protect the civilian population against the use of heavy weapons."

It is not written to say: to facilitate or to attempt. This is a positive word—to "ensure" that this is done. In the minds of a military planner, when you tell him to do it in such a way as to "ensure" that it is done now, and for what foreseeable period of time, that can be extrapolated into very significant military forces that could remain there for a prolonged period. I want to make certain that not only I understand this, but that the American public understands it, if this institution is to go on record.

I can go through and select other words in here which, to me, have very definite meanings when extrapolated into the use of military force. It is for that reason that I thank the Senator for not pushing this tonight. I thank the Senator for the opportunity to work with him, in the hopes that we can have a meeting of the minds on a resolution to meet the timeframe established by the Senator from Arizona.

I thank the Chair.

Mr. BYRD. Mr. President, does the distinguished Senator from Kentucky [Mr. MCCONNELL], wish me to yield him some time?

Mr. MCCONNELL. I would like to have 2 minutes.

Mr. BYRD. I yield the floor for 2 minutes, and I retain my rights to the floor.

Mr. MCCONNELL. The distinguished Senator from Connecticut and I have had a chance to discuss this issue in some detail over the last few days, and I commend him for his interests in trying to solve this problem. Unfortunately, it seems to this Senator that no expression of moral outrage by this body is going to have any real impact over there in Bosnia. What we are groping for here—and why I think this delay is so appropriate—is the right thing to do.

Hopefully, if we can conclude what the right thing to do is, we can move forward on a unanimous basis.

It seems to this Senator that to delay at the request of the distinguished Senator from Virginia is in the best interest of this body, and to give us an opportunity to bring ourselves together on a most complicated issue.

Obviously, those who were given an opportunity to have that classified briefing this morning, who have some concern about this proposal—and it seems to me it is a very complicated situation that has been going on for hundreds of years, and no damage will be done by further delay for a few days.

So I again thank my friend from Connecticut for his leadership on this issue, and I hope that we will be able to address it on a bipartisan basis some time before we depart next week.

Mr. President, I yield the floor.

BOSNIA

Mr. KOHL. Mr. President, I want to add my thoughts to the comments made by other Members of the Senate about the atrocities being committed by Serbian forces in the former Yugoslav Republics of Bosnia and Croatia.

Perhaps the most dramatic and moving illustration of the level to which the Serbian forces have sunk occurred when snipers attacked a bus carrying 50 orphans from Sarajevo to Germany. Two children were killed and nine others were refused permission to leave the area because they had Serb names. Not content with the destruction of young lives, Serbian forces actually launched an attack aimed at the funeral services being conducted for these victims. And in that attack, they wounded the grandmother of one of the children they had killed just a few days before.

While that is a dramatic and moving illustration, it is far from unique. The Serbians have adopted a policy of ethnic cleansing designed to remove all non-Serbians from the lands they hold. That policy has already resulted in the forced evacuation of 2.5 million people, often at gunpoint.

Given that policy we cannot be surprised—even though we should be shocked—by recent news accounts that indicate that international organizations like the Red Cross believe that non-Serbs "are being terrorized, minorities intimidated and harassed, civilians interned on a massive scale and hostages taken, while torture, deportations and summary executions are rife."

At what point, Mr. President, will the United States stand up and take action. The innocent victims of Serbian terrorism cannot afford to wait while our government waivers and decides if it really wants to take a leadership role in this conflict.

Look at what we have done on this most recent rash of reports about concentration camps. First, the State Department confirmed reports that Croats and Slavic Muslims were being tortured and killed, but did nothing about it. One day later, they reversed their position and expressed uncertainty about the accuracy of these reports, but didn't do anything to investigate them. According to administration officials, we now have very few options. We can only urge the Serbs to grant the Red Cross access to these camps.

This inaction on the part of our Government is, to put it plainly, unacceptable. If World War II taught us anything, it was that the international community must take decisive action against those who seek to commit genocide. Remaining silent is an open invitation to the Serbian forces to continue their ethnic cleansing. In fact, is all too possible that our silence at the early stages of this conflict encouraged the Serbs to entertain the notion that they could get away with this kind of concentration camp activity.

Let me make one final point, Mr. President. I realize that some people seek to justify our inaction on the grounds that this is a civil war, a conflict among various ethnic and nationality groups. They say that we do not know who the aggressor is, so we should not get involved.

This is not a civil war or an internal matter. Bosnia and Croatia are independent nations that have been recognized by the United States. Serbia has violated international law by invading these two nations. There is absolutely no question that Serbia is the aggressor in this conflict. Secretary Cheney stated that we got involved in the Middle East during the crisis with Iraq because there was "overt aggression of one country against another and because there's strategic interest in the Middle East." These same reasons now compel us to take action and put an end to Serbia's drive to create a Greater Serbia.

International law entitles the nations of the world to take appropriate action to deal with Serbian aggression. Human sensibility requires us to assert our leadership and join with the United Nations to resolve this situation at once. I urge the administration to recognize the mandates of morality and work with the United Nations to inspect the camps and take the steps necessary to prevent further aggression by Serbian forces and begin the process of resolving the disputes between Serbia and Croatia and Bosnia and the other States in the region.

AMENDMENT ON SERBIAN ATROCITIES

Mr. D'AMATO. Mr. President, I rise today in support of this amendment calling upon the President to urge the U.N. Security Council to hold an emergency meeting to do the following things: First, to authorize the use of all necessary means to ensure provi-

sion of humanitarian relief to the citizens of Bosnia, access by United Nations and International committee of the Red Cross personnel to refugee and prisoner of war camps, and to protect the civilian population from artillery and air attacks; second, to review whether the arms embargo imposed on the States of the former Socialist Federated Republic of Yugoslavia should be lifted for Bosnia; and third, to direct the establishment of an international tribunal to investigate allegations of war crimes and crimes against humanity committed within the territory of the former Socialist Federated Republic of Yugoslavia.

This amendment is the least we can do. As the world's only superpower, I believe we can and should do more. But I am pleased to join with my colleagues in offering and supporting this amendment as a first step in a direction we should be moving.

Yesterday, I announced that I would offer an amendment urging the creation of a war crimes tribunal to investigate and try the bloody handed murderers who have restored the term "death camp" to the world's vocabulary, a term we all hoped had been killed and buried with Hitler's Third Reich. My colleagues agreed with my initiative and included a clause in this amendment calling for establishment of such a tribunal.

Slobodan Milosevic and his henchmen must be brought to justice. They claim they don't control the genocide taking place in Bosnia, that it's the Bosnian Serbs who are doing the killing.

Milosevic must not be allowed to escape his personal responsibility for ethnic cleansing. It is his dream of a Greater Serbia that inspires and drives this new version of the final solution—only this time, the victims are Croats and Muslims, not Jews, Slavs, and Gypsies.

This time, the world can't say "we didn't know." We know, and we bear the moral responsibility to act. If we don't act, we are telling every aggressor and would-be mass murderer and ethnic purifier that he can get away with his crimes—if he just has somebody else do the killing.

If we don't act, we are telling the world that the principles we have declared and fought for since the end of the Second World War are just empty words. When these words get in the way of policy, we will disregard them.

Sometimes, you have to pay a price for having principles. Now is one of those times. For those who think the price is too high—recalling visions of Vietnam, Lebanon, or Northern Ireland—just think of the price we will pay in the future stopping other genocides whose seeds took root and flourished in the soil of our hypocrisy and neglect.

Let me be clear that I am not talking about starting a major land war in the Balkans. What I am talking about is using whatever force is needed to take out Serbian artillery, airfields, oil depots, supply lines, and the other elements upon which their war effort depends. We proved, in Operation Desert Storm, that we can do this when we decide to.

It is time and past time for the United States to press the United Nations to act. We, together with our allies, can do what needs to be done. After we stood aside to allow our European allies to deal with this European problem, and they dropped the ball, we must pick it up again and make certain that our principles—the world's principles—are not defied and defiled by Serbian aggressors who are engaged in mass murder.

After the allies destroyed the Third Reich in a storm of fire and steel, we found the horrors of the Nazi final solution in places like Auschwitz and Treblinka. After that, we said "never again." The time has come, Mr. President, for this body—and this country—to once again stand up for its principles and take action to give those words meaning.

I call upon my colleagues to join with me in support of this very important amendment.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENTS NOS. 2888 THROUGH 2894

Mr. BYRD. Mr. President, I send a series of amendments to the desk on behalf of Mr. NICKLES and myself. These amendments have been agreed to by both sides of the aisle. I will ask unanimous consent that they be considered and agreed to en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], proposes amendments numbered 2888 through 2894.

Mr. BYRD. Mr. President, these amendments include:

An amendment (No. 2888) for an increase of $600,000 for Park Service operations, with $400,000 for Grand Teton National Park operations and $200,000 for cultural and historic resource evaluations at Weir Farm National Park, offered on behalf of Senators SIMPSON and LIEBERMAN;

An amendment (No. 2889) on behalf of Senator LIEBERMAN to increase Park Service construction by $115,000 for the general management plan at Weir Farm;

An amendment (No. 2890) on behalf of Senator INOUYE waiving public recreation uses imposed by a covenant associated with Aloha Stadium and surrounding property;

An amendment (No. 2891) by Senator RUDMAN relating to the White Mountains National Forest, Androscoggin Ranger District, offset by a reduction in land acquisition for the Pennsylvania Avenue Development Corporation;

An amendment (No. 2892) making a technical correction on page 73, line 22 on behalf of Senator NICKLES and myself;

An amendment (No. 2893) on behalf of Senator NICKLES which would allow the Bureau of Indian Affairs to utilize trust fund moneys jointly held for the Kiowa, Comanche, and Apache tribes to pay off their debt. The amendment will prevent the default on a 90-percent Federal loan guarantee and allow the tribes to move forward with their economic development plans; and

An amendment (No. 2894) making a reduction of $2,271,000 for the office of the Secretary at the Department of the Interior, to maintain the fiscal year 1992 level, offered on behalf of myself and Senator NICKLES.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with, and they be agreed to en bloc, and the motion to reconsider laid on the table en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (No. 2888 through No. 2894) were agreed to as follows:

AMENDMENT NO. 2888

On page 18, line 24, increase the amount by $600,000.

AMENDMENT NO. 2889

On page 20, line 21, increase the amount by $115,000.

AMENDMENT NO. 2890

Insert where appropriate:

SEC. . REMOVAL OF RESTRICTIONS.

(a) PURPOSE.—The United States hereby relinquishes any rights arising from restrictions described in subsection (c), subject to the condition that the real property be used for public purposes in perpetuity, as specified in subsection (b).

(b) IN GENERAL.—The Secretary of the Interior shall execute such instruments as are necessary to remove the restrictions described in subsection (c) that are applicable to the use of the real property consisting of approximately 55.31 acres located in Halawa, Ewa, Island of Oahu, State of Hawaii, being the major portion of the former Halawa-Aiea Veterans Housing Area, and currently known as Aloha Stadium. The removal of the restrictions shall be on condition that the real property be used for public purposes in perpetuity.

(c) RESTRICTIONS.—The restrictions referred to in subsection (b) are those reservations, exceptions, restrictions, conditions, and covenants requiring that the real property referred to in subsection (a) be used in perpetuity for a public park and public recreation area and for these purposes only, as set forth in the quitclaim deed from the United States of America dated June 30, 1967.

AMENDMENT NO. 2891

On page 95, line 16, decrease the number by $750,000.

On page 57, line 12, increase the number by $1,350,000 and on line 13, increase the number by $1,350,000.

AMENDMENT NO. 2892

On page 73, line 22, linetype "on" and insert "or".

AMENDMENT NO. 2893

(a) Notwithstanding the provisions of Section 101(c) of Public Law 98-473, Act of October 12, 1984, 98 Stat. 1849 [25 U.S.C. 123c], the Secretary of the Interior is authorized in his discretion, to pay lawful debts incurred on behalf of the Kiowa Comanche Apache Intertribal Land Use Committee in connection with the construction and operation of the Native Sun Water Park in Lawton, Oklahoma, from funds in the United States Treasury held jointly for the Kiowa, Comanche and Apache Tribes. Provided however that such payments may not exceed an aggregate of $1.3 million.

(b) Prior to exercising the discretion described in section (a), the Secretary or his designee shall provide written notice to the Kiowa Comanche Apache Intertribal Land Use Committee describing with specificity the nature and amount of the obligation(s) the Secretary intends to pay. In the event the Kiowa Comanche Apache Intertribal Land Use Committee does not provide documentation to the Secretary within 30 days justifying why the amount(s) should not be paid, the Secretary may exercise his discretion to pay the obligation(s).

AMENDMENT NO. 2894

On page 46, line 17, reduce the number by $2,271,000.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, will the Senator from West Virginia yield for purposes of offering an amendment?

Mr. BYRD. Yes; I am happy to yield for that purpose. I am glad somebody will offer an amendment.

Will the Senator yield 2 minutes? I promised Mr. PELL that I would yield the floor to him for 2 minutes, after which, if the Senator wishes to get recognition, he may do so.

Mr. PELL. Mr. President, I thank my colleague and friend for affording me this opportunity.

I would like to say on the record that we have had a Foreign Relations Committee hearing, ably chaired by Senator BIDEN on the military options in the former Yugoslavia. At that hearing, there was very good input as to the pros and cons of any action to be taken.

I think this debate just now is very helpful. We see the differing views. I am very glad the Senator from Virginia has discussed meeting with the Senator from Connecticut and working out a more satisfactory wording. I would add that tomorrow, the Foreign Relations Committee will hold a business meeting at which we will consider and hopefully report out a resolution on Bosnia so that the Senate can consider it in the very near future.

There is no question that we all have the same objectives and the same ideas and views. The question is how to word this resolution. None of us want to see our young men and women committed to war. But, by the same token, we cannot permit what is going on in Yugoslavia.

The question is to find the middle ground in there, and make use of the U.N. structure that we have.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 2895

(Purpose: To reduce an appropriation)

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 2895. On page 46, line 17, strike out "$65,904,000" and insert in lieu thereof "$63,633,000".

Mr. GRAHAM. Mr. President, the amendment which I have sent to the desk is the first of five amendments to accomplish the policy objective that we have dealt with several times over the past 10 days, and that is to start the process of beginning to bring our budget into closer balance by freezing the overhead and general administrative budgets of the various agencies.

We have done this thus far by votes on the floor for the Departments of Commerce, Justice, State, and Transportation. Several other committees have, by their own action, held the general administration overhead to the current year's funding.

The amendment which I offer is the amendment that goes to the account of the office of the Secretary of the Department of the Interior, and it would purport to hold this to the current year's level of funding, which is $63,633,000, for a savings of $2,271,000.

Mr. BYRD. Will the Senator yield?

Mr. GRAHAM. I yield.

Mr. BYRD. That reduction has already been made, I wish to inform the distinguished Senator. That reduction has been made.

Mr. GRAHAM. That amendment has already been agreed to?

Mr. BYRD. Yes. The Secretary of the Department of the Interior will have the same level that he was operating under last year.

Mr. GRAHAM. I am very pleased with that statement.

Could the President pro tempore inform me as to whether that same policy has been adopted relative to the offices of the Solicitor, inspector general, et cetera, of the other Departments?

Mr. BYRD. It has not been.

Mr. GRAHAM. Mr. President, I withdraw the amendment which I have offered.

The PRESIDING OFFICER. The Senator has the right to withdraw the amendment.

The amendment (No. 2895) was withdrawn.

AMENDMENTS NO. 2896 THROUGH NO. 2899

Mr. GRAHAM. Mr. President, I propose four amendments to be considered en bloc, which I send to the desk.

The PRESIDING OFFICER. The amendments en bloc will be read by the clerk.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes amendments numbered 2896 through 2899.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2896

On page 46, line 23, strike out $31,468,000 and insert in lieu thereof "$31,128,000.".

AMENDMENT NO. 2897

On page 47, line 4, strike out "$23,958,000" and insert in lieu thereof "$23,741,000.".

AMENDMENT NO. 2898

On page 47, line 8, strike out "$2,260,000" and insert in lieu thereof "$2,215,000.".

AMENDMENT NO. 2899

On page 47, line 13, strike out "$2,480,000" and insert in lieu thereof "$2,190,000.".

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I have sent to the desk four other amendments which relate to holding the overhead and general administrative costs to the Department of the Interior and the four other offices to their 1992 level of expenditure, consistent with the amendment which has previously been adopted, to apply that principle to the office of the Secretary of the Department of the Interior.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from West Virginia.

Mr. BYRD. Mr. President, if the Senator would agree, if he has no further comments to make at this point, I would like to suggest the absence of a quorum, so that Senator NICKLES can come to the floor.

As far as I am personally concerned, I do not mind accepting the amendments en bloc. But I do not know how Senator NICKLES would feel about it until he can either come to the floor or be reached, and an effort is being made at this moment to try to reach him. So maybe he will give the answer, an answer, very soon.

If he has no objection, if he does not want to speak longer at this point, I will suggest the absence of a quorum.

In the meantime, though, before I suggest the absence of a quorum, I hope that our respective Cloakrooms and floor staffs can determine what amendments are expected to be offered on both sides of the aisle, and whether or not Senators who wish to offer such amendments would agree to time limitations thereon.

If we could establish a list of amendments and get consent there will be no other amendments offered, that would be some progress.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, the Senator from Oklahoma is here and I believe is prepared to comment relative to the amendments which I offered en bloc relative to the overhead budgets of four subagencies within the central office of the Department of the Interior.

The PRESIDING OFFICER. Does the Senator from Oklahoma wish to be recognized?

Mr. NICKLES. Mr. President, the Senator is correct. We have reviewed his amendments. I compliment him on his amendments. I cleared this. These amendments have been cleared with Senator BYRD as well, and I urge their adoption.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments en bloc.

The amendments en bloc (Nos. 2896 through 2899) were agreed to.

Mr. GRAHAM. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. AKAKA). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, shortly I will propose a list of amendments and ask unanimous consent that further amendments on the bill be limited to that list, which will include amendments from both sides of the aisle. Our staff has been working on those amendments, and staff on both sides have been trying to put together the list. And I am going to put the Senate on notice that shortly I will ask consent to limit amendments to that list.

Mr. NICKLES. Will the chairman yield just for a comment?

Mr. BYRD. I am happy to yield.

Mr. NICKLES. I would just make the comment we have compiled a rather extensive list, but I would add we are not asking for additional amendments. I might also advise the Senate that amendments that require additional spending will also have to have some rescissions in them as well to keep us within the 302(b) allocations. But we have a very extensive list. I hope the Senator from West Virginia, as chairman of the subcommittee and also the full committee, can propound that unanimous-consent request to limit amendments very shortly.

Mr. BYRD. I thank my friend and I will do that. I am glad that he has pointed out any amendments that require additional spending will have to be offset because we are right at the ceiling on both the outlays and the budget authority.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2900

(Purpose: To amend the holding fee to provide for a small mining operation exemption)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 2900.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At page 11, line 24, strike all after "quality standards:" through page 14, line 2 and insert in lieu thereof, the following: "*Provided further*, That notwithstanding any other provision of law, that effective upon the date of enactment of this Act, for fiscal year 1993, for each unpatented mining claim, mill or tunnel site on federally owned lands, in lieu of the assessment work requirements contained in the Mining Law of 1872 (30 U.S.C. 28–28e), and the filing requirements contained in Section 314(a) and (c) of the Federal Land Policy and Management Act of 1976 (FLPMA) (43 U.S.C. 1744(a) and (c)), any claimant not meeting the conditions in the following sentence shall pay a claim rental fee of $100.00 to the Secretary of Interior or his designee on or before August 31, 1993 in order for the claimant to hold such unpatented mining claim, mill or tunnel site for the year ending on September 1, 1993. *Provided further*, That for fiscal year 1993, any claimant that is producing from 10 or fewer claims in an integrated operating area that has less than 10 acres of unreclaimed surface disturbance from mining activity may elect to either pay a claim rental fee as described in the preceding sentence for fiscal year 1993 or in lieu thereof do assessment work required by the Mining Law of 1872 (30 U.S.C. 28–28e) and meet the filing requirements of FLPMA (43 U.S.C. 1744(a) and (c)) on such 10 or fewer claims in such integrated operating area and certify such to the Secretary by August 31, 1993: *Provided further*, That for each fiscal year after fiscal year 1993, for each unpatented mining claim, mill or tunnel site on federally owned lands, in lieu of the assessment work requirements contained in the Mining Law of 1872 (30 U.S.C. 28–28e) and filing requirements of FLPMA (43 U.S.C. 1744(a) and (c)), claimants not meeting the conditions in the following sentence shall pay an annual claim rental fee of $100.00 per claim to the Secretary of the Interior or his designee on or before August 31 of the preceding fiscal year in order for the claimant to hold such unpatented mining claim, mill or tunnel site for the following year beginning on September 1: *Provided further*, That in each fiscal year after fiscal year 1993, claimants that are producing from 10 or fewer claims in an integrated operating area that has less than 10 acres of unreclaimed surface disturbance from mining activity may elect to either pay a claim rental fee as described in the preceding sentence for the year or in lieu thereof do assessment work required by the Mining Law of 1872 (30 U.S.C. 28–28e) and meet the filing requirements of FLPMA (43 U.S.C. 1744(a) and (c)) on such 10 or fewer claims in such integrated operating area and certify such to the Secretary by August 31 of the preceding fiscal year: *Provided further*, That for every unpatented mining claim, mill or tunnel site located after the date of enactment of this Act, the locator shall pay $100.00 to the Secretary of Interior or his designee at the time the location notice is recorded with the Bureau of Land Management to hold such claim for the year in which the location was made: *Provided further*, That the co-ownership provisions of The Mining Law of 1872 (30 U.S.C 28–28e) will remain in effect except that the annual claim rental fee, where applicable, shall replace applicable assessment requirements and expenditures: *Provided further*, That failure to make the annual payment of the claim rental fee as required by this Act shall conclusively constitute an abandonment of the unpatented mining claim, mill or tunnel site by the claimant: *Provided further*, That nothing in this Act shall change or modify the requirements of Section 314(b) of FLPMA (43 U.S.C. 1744(b)) or the requirements of Section 314(c) of FLPMA (43 U.S.C. 1744(c)) related to filings required by Section 314(b), which shall remain in effect: *Provided further*, That the Secretary of the Interior shall promulgate rules and regulations to carry out the purposes of this Section as soon as practicable after the effective date of this Act.".

Mr. STEVENS. Mr. President, this is an amendment that I call a small miner provision for the holding fee. The bill already imposes a fee in lieu of what we call assessment work. This will permit in fiscal 1993 and all subsequent years, a small miner who is in production, who is in an integrated operating area of 10 or fewer claims and has 10 or less acres of unreclaimed surface disturbance, to do the assessment work instead of paying the $100 fee.

I might say that we have had it checked out by the Congressional Budget Office. It does not have a fiscal impact adverse to the bill. I do believe it is necessary for States such as mine. I still believe the small miner is the backbone of the mining industry.

Mr. President, we have areas of my State where the miners are really in a subsistence economy, lifestyle miners they are called. They live off the land, take fish and game and mine in the summertime. They really do not live where they have much of a cash economy unless they do become very fortunate and have a substantial discovery

and are able to take that to patent and proceed with large mining operations in conjunction with a partner that helps finance that kind of development.

I believe this amendment is necessary to keep the small miners involved in the process. It is not a windfall in any way. As I have indicated, the way it has been drafted, it does not reduce the moneys that will come in under the bill provisions that were inserted by the committee dealing with the payment of the holding fee.

This will amend the provision that starts on page 11 of the bill that deals with the establishment of the holding fee.

I am pleased to have any discussion that anyone wishes to have on it.

Mr. NICKLES. Will the Senator yield?

Mr. STEVENS. Yes; I will be happy to yield.

Mr. NICKLES. After looking at the Senator's amendment, I hope I understand it. I am not an expert in mining fees. I appreciate the fact that the Senator from Alaska has a lot of experience because he has worked in the Department of the Interior prior to coming to the Senate, so he knows more about mining fees than most.

Mr. President, correct me if I am wrong, but under the Senator's amendment, it says for small miners. I guess that is a miner producing from 10 or fewer claims at one time?

Mr. STEVENS. That is correct.

Mr. NICKLES. That miner would have the option of either paying the fee or doing the diligence requirement; is that correct?

Mr. STEVENS. Doing the assessment work that is currently required under the diligence requirement of the Mining Law of 1872.

Mr. NICKLES. So they would have the option of doing one or the other, but they would have to do one or the other.

Mr. STEVENS. They have to do one or the other, that is correct.

Mr. NICKLES. I appreciate the Senator's clarification. I personally do not have any objection to the amendment. I understand that there may be another Senator who wishes to speak on it, Senator BUMPERS, or another Senator. We may have to set it aside or wait until their arrival. But I personally do not have any objection to it.

Mr. BYRD. Mr. President, I understand Senator BUMPERS does wish to speak on the amendment.

Mr. STEVENS. Very well. I will be happy to wait for the Senator from Arkansas. It was my understanding during the statement made by the Senator that he indicated that he did understand this small miner problem, and I will be happy to discuss it with him.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I have a list of amendments now which have been worked up by the staffs on both sides of the aisle.

I ask unanimous consent that these amendments be the only first-degree amendments to be in order and that they be subject to relevant second-degree amendments.

They are as follows: Mr. GORTON, timber salvage in spotted owl habitat conservation areas; Mr. WALLOP, an amendment on net receipts; Mr. WALLOP, an amendment on abandoned mine land reclamation fund; Mr. FOWLER, timber sales appeals; Mr. FOWLER, below-cost timber sales; Mr. STEVENS, authorize transfer of historic building in Alaska; Mr. BOND, subhumid agroforestry; Mr. GORTON, reallocate funds for Alpine Lakes land acquisition to other Washington State projects; Mr. BOND, Forest Service—prohibit expenditures for computer purchase or maintenance pending Department of Agriculture field structure reorganization; an amendment by Senators WALLOP and BURNS, CRAIG and BAUCUS to strike $148,000 in NPS funding for wolf reintroduction EIS and provide funds for BLM project in Wyoming; Mr. STEVENS, small mining exemption, which is now pending. This is not pending. Mr. STEVENS, an amendment on mining holding fee for small miners, which is pending; Mr. REID, an amendment on uncommon variety minerals; Mr. REID, bonding requirements; Mr. REID, mining; Mr. JEFFORDS on grazing fees; Mr. SMITH on freeze; Mr. DOLE on Hanover Station; Mr. LOTT on battlefields; and Mr. SEYMOUR on private relief. Those would be the only first-degree amendments which would be in order. As I said, relevant second-degree amendments would be in order.

Also, an amendment by Mr. BINGAMAN on boots and saddles initiative. I believe that amendment has already been acted on.

Mr. NICKLES. Will the chairman yield?

Mr. BYRD. In any event, I will include it in the list in a moment. Yes, I yield.

Mr. NICKLES. Have we taken care of Senator LIEBERMAN?

Mr. BYRD. That amendment dealing with the Bosnia——

Mr. NICKLES. No, not Bosnia.

That amendment has been taken care of.

We also have an additional amendment of Senator KASTEN, dealing with battery research.

Mr. BYRD. Very well. I add that to the list.

Mr. NICKLES. Did the Senator mention Senator SEYMOUR?

Mr. BYRD. I did.

Mr. NICKLES. And Senator MCCAIN?

Mr. BYRD. Senator MCCAIN has a point of order. I am not ruling out any points of order at any time, in my request I am not.

Mr. NICKLES. Did the Senator include a technical amendment by the Senator from West Virginia?

Mr. BYRD. I am glad the Senator reminded me. I will include that.

Mr. NICKLES. I think the Senator has included everything that we have on our list.

Mr. BYRD. I thank the Senator. That completes the list.

Mr. CONRAD. Reserving the right to object, might I inquire if there is a unanimous-consent request before the body on amendments that might be offered with time agreements attached?

Mr. BYRD. No, there is none.

Mr. CONRAD. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the Chair. I thank Mr. NICKLES, and I thank staff on both sides of the aisle.

Now, there is an amendment pending by Mr. STEVENS.

I am told Senator BUMPERS is on his way to speak to the amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from West Virginia suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Parliamentary inquiry, Mr. President. As I understand the order which was entered and which was presented by me, a list of amendments has been agreed to as being the only first-degree amendments that may be offered, but the order does not guarantee that any of those amendments will be offered. Am I correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. So that if there comes a time when Senators are not willing to come forward and call up their amendments, the Senator from West Virginia or any other Senator is free to move to go to third reading and ask for the yeas and nays on that vote. And at some point that may be done. I would not anticipate doing that tonight. But I want to put all Senators on notice that that may be done. At such time as I decide that is the only way to get action, I will give the Senator 10 minutes, as I did on one occasion last year, and I think they know I will not be kidding.

So if I at some point tomorrow say that within 10 minutes I am going to

go to third reading. Senators will know to take that statement seriously. Even though a list of amendments has been entered as being appropriate, it does not guarantee that we are going to stay around and wait forever for those amendments to be called up.

The leader, I understand, would like to go for a while tonight further and get as much action on this bill as possible. So I hope that Senators will be prepared to call up their amendments.

Senator STEVENS has one. Senator BUMPERS is on the floor now. But I hope Senators will understand that there could be further rollcall votes tonight.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, parliamentary inquiry. Is there an amendment pending?

The PRESIDING OFFICER. There is a Stevens amendment No. 2900 that is pending.

Mr. LEAHY. And is there an order entered into either on time or on sequence of amendments?

The PRESIDING OFFICER. It is first-degree amendments.

Mr. LEAHY. Mr. President, I simply wish to state that I agree with the words of the distinguished senior Senator from West Virginia. I recall a couple years ago having a 5-year farm bill on the floor and I was told that 5 years before, in a far, far less complicated 5-year farm bill, one that had far less titles, amendments, and so on, that took some 7 weeks to pass. I really did not need to be told that. I sat here during those 7 weeks. I was not chairman of the committee at the time. The distinguished Senator from West Virginia, I recall, being here sometimes until 2 o'clock in the morning when we had votes on that. And it took 7 weeks. A lot of talk. I determined I would not do the same with a 5-year farm bill a couple years ago, and we pushed it through in less than 7 days, a far more complicated, a far longer bill, in fact, the longest piece of legislation ever passed by the Senate at that point.

One of the things I did, and I must admit it is not the most original idea because I heard the Senator from West Virginia do it before, I made it very clear, and had the support of the ranking member, that if amendments were not there, people were not ready to go, we would assume that nobody had an amendment they wanted and we would go to third reading.

I recall a couple of times when we started into the process of third reading, and it was amazing; it was like a SWAT team arriving as the doors of the cloakrooms opened and suddenly amendments and Senators came forth. But knowing we would eventually do it that way, we moved forward.

I must say as one Senator who has had amendments on this bill and others, I agree with the Senator from West Virginia. We all know time is running down. We all know we are going to try to recess for the Republican Convention and other matters next week. We all know there is a short time remaining between now and the time we will leave for the election campaigns, Members on both sides of the aisle. We are kidding ourselves if we do not come forward with amendments.

I was the Presiding Officer of this body, had the honor the last time when the distinguished Senator from West Virginia announced he was checking the time.

The Senator will recall. When I was the Presiding Officer of the Senate, the Senator from West Virginia called for third reading, and I recall what happened then. But I also recall an awful lot of Senators on both sides of the aisle applauded the distinguished Senator from West Virginia for getting that done, and having action on the final conclusion. And the same conclusion we would have had 3 days later had we stalled, moved around, and would have still come out with the same thing. The one big difference is most of us went home to our families 3 days sooner.

Mr. President, I want to say as one who has seen that method work, I commend it to anybody who has to manage a bill here. It would help an awful lot on the other pieces of legislation, and I applaud the Senator.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas [Mr. BUMPERS] is recognized.

AMENDMENT NO. 2900

Mr. BUMPERS. Mr. President, I wanted to engage the Senator from Alaska in a colloquy about his so-called small mine claim exemption.

Senator, my question is this: I have read the Senator's amendment for the first time. I need to read it more. But let me ask two or three questions. As I understand it, this would exempt any miner who has 10 claims or less and who has 10 or less acres of what the Senator calls unreclaimed surface area; is that correct?

Mr. STEVENS. The Senator is partially correct. Ten acres or less in surface unclaimed and that the mines are in production, and not more than 10 claims in an integrated operating area. But basically, I might say to the Senator, our count is somewhere around 200 such miners in Alaska, very small miners, basically in the north and in the western portion of Alaska.

Mr. BUMPERS. A miner who has 10 claims has probably 200 acres. If his son and his wife and his daughter each have 10 claims, we are up to 800 acres. Every person who has 10 claims or less, as Everett Dirksen used to say, the first thing you know you are talking about real money.

Mr. STEVENS. The answer, if we may have this sort of colloquy, these have to be in production. They are not just claims. The claims have to be in production, 10 associated claims, and only one such exemption per person. I have to tell you that you do not find many children and wives out staking claims. These are very remote, small miners. The option is to pay the $100. If they really have the money to go out and file for more claims, they are going to pay the $100 rather than do the assessment work which is required, which is rather arduous, I am sure you know, in Alaska.

Mr. BUMPERS. A miner who has 10 claims would be subject to an annual holding fee of $1,000 under the bill.

Mr. STEVENS. That is correct.

Mr. BUMPERS. One hundred dollars per claim. There are 1.2 million claims filed in this country, or at least there are 1.2 million claims. Can the Senator tell me with any degree of accuracy how many of those claims will be covered under his amendment?

Mr. STEVENS. I can tell you in Alaska. I cannot tell you nationwide. I do not have that knowledge nationwide. We have asked for those numbers. I still think they are very small. If you keep in mind the parameters now, that to qualify they must have the mine in production, 10 acres or less surface disturbance, and that the mining claim total is 10 claims or less.

We were told that less than 10 percent of the claims that have been filed nationwide could possibly qualify. There would be even less once you start trying to determine the integrated requirement.

In our State, of course, they do file the step-off claim so that, if you have a major claim, you would file at least five around it in order to protect any claim jumping as far as your original object of your discovery.

So it is probably true that there are not many subsistence miners in the rest of the country. I think there are some in Nevada. There are a few in other portions of the Western States. But in our State, there are many who are totally isolated communities. This imposition of this $1,000 fee would be a cost to them, and they would rather do the assessment work under the current law.

The way the amendment is drafted, it will not reduce the moneys that are derived from the basic provision that is in the committee bill. It does not reduce the income from the bill. It does provide an exemption if they wish to use it.

If those people are associated with some mining company, a fairly large size, of course they would rather take the $1,000 under your hypothetical than do the work themselves. But for those people who live in the area, in most instances I might say to the Senator it would cost more than $1,000 for some-

one who does not live in the area to get to those claims. So basically this is going to protect people who live in the area where their mining claims exist.

Mr. BUMPERS. Let me just say in all fairness that BLM has testified before both the Energy Committee on which I sit and before the Interior Appropriations Committee on which I sit. They have testified a number of times that they never checked as to whether or not this assessment work has been done or not. You fill out a BLM form saying: I did $100 worth of work in the past year in what we call assessment work on my claim.

One of the reasons both the administration, incidentally, and OMB—and this Senator—have always been for a holding fee is not to penalize miners, but to just be sure that everybody is playing by the same rules. Some people did assessment work; some people did not. But all they had to do was just say they did it, and BLM said they had no way of knowing. Obviously, BLM is not going to go out and check 1,250,000 claims.

And they do live off the land. They go out annually and come back once. They are not going back and forth. So they are out there working their claims.

As I told you, my Eskimo friend goes out and works his claim. And when he comes back, if he has been successful, he has gold. If he has not been successful, he does not bring back anything.

He has a small place where he lives while he is doing that assessment work every year. I have him in mind in connection with this amendment. I know that that is going to be a burden to pay the holding fee, because he will work the claims anyway, is my point to the Senator.

This is protection for those really working the claims. Remember, they must be in production. Everybody else is doing assessment work, and is doing it just to make the claims valid, despite the fact that they are not in production.

The requirement for being in production is the difference between existing law under the 1872 law and my amendment. This requires that it be in production if you want to do your assessment work and file your affidavit. You do not have to pay the $1,000 annually to hold those 10 claims.

Mr. STEVENS. Mr. President, the Senator is correct. But when it gets down to this limited number, and a person comes in and files an affidavit, remember, that statement is under oath. And under section 1001 of title 18, it becomes a felony, a criminal offense, to make that statement to the BLM that the assessment work has been done. And they would forfeit the claim if they were found to be lying.

I tell you, I do not think many of our people are going to lie about $1,000 worth of assessment work. The real problem is whether they have the $1,000. They are going to lose their claims if they do not have the cash. I am sure the Senator realizes that. This bill will impose a substantial burden on people who live in a subsistence economy, in a mining sense.

Mr. BUMPERS. Mr. President, I will make a second point to the Senator.

The second reason we wanted to establish the holding fee rather than allowing them to certify that they had done assessment work that had a value of $100 on each claim, quite frankly, was to keep people from going out with a pick-ax and disturbing the surface of the soil just so they can say they did assessment work.

Maybe they are being honest. Some people sent in certification that they did assessment work, and they did not. Others are a little more honest, who would go out and dig around a little bit so they can honestly say they did assessment work, and disturb the surface, and I was disturbed at that.

If you have a claim—and the Senator from Nevada has said on a number of occasions that he has some mining claims that have been handed down in the family for 50 to 75 years—to suggest that when you have had a claim for 20 to 50 years, that you are going out there and doing 100 dollars' worth of assessment work every year, year after year after year, just to hold that claim, borders on being ludicrous.

I think the Senator would agree with me on that.

Mr. STEVENS. Mr. President, I say to the Senator that I do not know of any claim in Alaska that has been worked for 50 to 100 years in production. Again, I call your attention to the basic requirement that these mining claims must be in production.

This is not scratching the surface; not hiring someone to bring in a D-8 Cat and make a couple of tracks, which we all know has happened in some places. I remember when the situation existed in California. But this is not the same situation.

We are talking about small miners that work their claims, and literally are working them in production, trying to make a living off what they are producing. The key words again are "in production"—10 claims or less.

Mr. BUMPERS. Mr. President, I understand precisely the point the Senator is making. But now there is another point to be made.

The Senator from West Virginia, the distinguished Senator from West Virginia and chairman of the subcommittee, ought to have more than a passing interest in this; that is, the revenue loss on this bill. This bill has been scored—and I recognize it is a big winner this year, because people are going to be making a double payment in 1993. And they have scored this thing as a $38 million winner next year.

Obviously, if the Senator's amendment passes, it is going to be something a lot less than $38 million.

Mr. STEVENS. I might say that we have decided not to give out the exact figures, because they are still estimates. But I have been assured through my staff, and I think the committee staff also, that my amendment is not a revenue loser because of the requirement that it must be in production.

It is a very limited concept.

Mr. BUMPERS. How could the Senator's bill, which exempts up to 9 of the 10 claims, not be a revenue loser?

Mr. STEVENS. It is not, Mr. President, because it provides for the work to be done in the same area.

Mr. BUMPERS. To anybody who chooses to do the assessment work and not pay the $100, it is a revenue loser; is it not?

Mr. STEVENS. They are still going to produce the same amount of revenue under this bill.

Mr. BUMPERS. Mr. President, with the utmost of respect, that is not possible.

Mr. STEVENS. Of course, Mr. President, some are going to do the labor—a very small portion. The others are going to pay twice in that period. There is no way to determine how many are going to opt to take this, but it is a very small number, because there are not that many claims in production. It is a de minimis loss.

We have been told we can reliably inform the Senate that there is no revenue change under the terms of this bill if my amendment is adopted.

Mr. BUMPERS. Would the Senator be willing to add to his amendment an additional criteria for the definition of a small miner to say someone who is deriving less than, we will say, $500,000 a year in revenues from his claim?

Mr. STEVENS. I do not know any small miners making $500,000 a year.

Mr. BUMPERS. Senator, if you are willing to add that——

Mr. STEVENS. Mr. President, he has to certify that the production in that area did not net him more than $500,000? You do have to buy grub and hire someone to fly equipment in, and that is why these guys are on the margin all the time.

I do not know anybody in this category, with 10 claims or less in production, a small miner, making more than $500,000.

I would be happy to put a limitation or a cap on that.

Mr. BUMPERS. Mr. President, I am not talking about making $500,000. I am talking about revenues of $500,000.

Mr. STEVENS. Grossing?

Mr. BUMPERS. Yes.

Mr. STEVENS. I do not know, Mr. President. If you think about the price of gold—and that is primarily what you are talking about for small miners operating now—as I said before, 75 percent of the revenue is actually paying for services that come into my State.

So if you are making $500,000, you are paying out 70 percent of that to some-

one outside. Your adjusted gross income, before you start talking about the cost of your own grub and everything, is so small, the margin is so small, that I hope you will agree on setting a net figure. Because $500,000, if you brought $500,000 out of one of these claims in my State, you will have paid out at least 70 percent of it.

So you are talking about a good $500,000 going out of the State just to make that. And that means you have $200,000 gross to pay all the other local costs—grub, the people who work for you, the filing fees, and everything else; and your plan, reclamation plan. You realize that there are substantial fees that have to be paid to the Government beyond this $100.

Mr. BUMPERS. Mr. President, I am sympathetic to the Senator. I have discussed this privately with him a couple of times. He told me he was intending to try to craft some sort of exemption for small miners. As the Senator knows, as chairman of the Small Business Committee, that is what we do constantly, try to protect the small. We gave away the store to the big mining companies this afternoon. The least we can do is help the small miners.

I am really worried about the definitions in his amendment. I will tell you, I do not want to take up more time. The Senator from West Virginia has been very patient. I will not object to his amendment, but I can tell you that between now and the time we go to conference with the House, I want BLM to give us some statistics so that I will have a better feel for it.

The Senator from Alaska can be thinking about what kind of revenues he considers small business. I will check with the Small Business Administration on it, because I do not mind helping small miners. God knows, as I say, we certainly helped the big boys this afternoon.

Mr. STEVENS. I appreciate the Senator——

Mr. BUMPERS. If I may, Mr. President, I do not want to commit to championing this amendment in the conference, or any of them.

Mr. STEVENS. I am happy that the Senator is willing to work on it in conference.

Let me tell you of just one miner I know. He saves his gold that he makes, and about every 3 or 4 years he takes it down to the city and has it minted into coins.

And he sells those within the State. He does not have any income at all until he sells that gold. So I do not know how you put a net figure on what he is doing under those circumstances, but I do not intend to protect a large return from any kind of a corporate operation of a small number of claims. We are trying to protect the subsistence miner who lives in the area, who works the area, and every once in a while, like an artist, he might finally end up by selling a painting after 3 or 4 years. After 3 or 4 years' work, this fellow in 1 year is probably going to bring home a lot of money.

That is what makes me hesitant to say I want to agree to that limitation. The Senator from Arkansas and I have arguments on the floor, but we also have discussions privately, and I consider him to be a very close friend.

I think, in terms of the small business concept, the Senator from Arkansas and I ought to be going in the same direction. We both are committed, as members of the Small Business Committee, to assist the small business people. These people who live off the land and mine need some protection from this holding fee.

Let us take my friend who mines 4 years and, in the 5th year, he gets an income. He will be paying out $5,000 to hold his claims before he gets any revenue. He would much rather work those claims and pay taxes in the fifth year. That is a small business that I know of personally, and I will be pleased to take my friend up to visit this person.

I hope that the Senator will allow us to take this to conference. And I take his statement that he does not intend to be a champion of it, but I also take it for granted, as chairman of the Small Business Committee, he will have the same objective as I, and that is to try to honestly protect the legitimate small miner who works in the rural portion of America.

Mr. BUMPERS. Let me say to the Senator from Alaska that I appreciate his words. He certainly is correct on that. I think that the definition of small miner, before it would ever be satisfactory to me and certainly to the House committee, would have to be nailed down with considerably more definition.

I have a statistic here from BLM that out of 100,000 active claims—all the active claims in the whole United States, including Alaska—75,000 of them are held by those holding 10 or fewer claims.

Mr. STEVENS. They are not in production, though.

Mr. BUMPERS. Pardon?

Mr. STEVENS. I challenge BLM or anyone else to show they meet the basic requirement of being in production?

Mr. BUMPERS. Those are things I do not know the answer to.

Mr. STEVENS. I understand.

Mr. BUMPERS. The Senator and I will need to find out.

Mr. STEVENS. I appreciate that, and I urge the managers of the bill to let us accept the amendment and take it to the conference.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I do not want to interrupt the flow of debate. There is a brief statement I would like to make. A comment was made yesterday challenging the independence of Senators on the Republican side of the aisle. I do want to comment on that, and I shall be relatively brief. But I alert the Senator from West Virginia [Mr. ROCKEFELLER] that some of what I have to say relates to comments which he made yesterday apparently in a press conference which I saw repeated on C-SPAN last night.

Mr. STEVENS. If I may interrupt my friend, I had not yielded the floor. I asked a question. I am happy to have him make his statement. I am happy to yield to my friend, but I still have the floor.

Mr. SPECTER. Mr. President, I thought my distinguished colleague——

The PRESIDING OFFICER. The Senator has not yielded the floor. The Senator from Alaska still has the floor.

Mr. STEVENS. I was waiting for an answer, Mr. President—and I apologize to the Senator from Pennsylvania—to my question whether we could take this—I asked if the managers would allow us to take this amendment to conference on just a voice vote, in effect, because, as I understand, the Senator from Arkansas is not going to object. He is the only person objecting that we heard.

Mr. SPECTER. I am glad to yield to my colleague from Alaska, but I ask unanimous consent that I may be recognized at the conclusion of action on this amendment.

Mr. STEVENS. This is another matter. I still have the floor.

Mr. BYRD. Mr. President, reserving the right to object, and I do not intend to object, would the distinguished Senator, in order to help us to move along on this bill, give us a timeframe for his speech, 10 minutes, 15 minutes, or what?

Mr. SPECTER. I thank the distinguished chairman of the Appropriations Committee. Not in excess of 15 minutes, considerably less, I hope.

Mr. BYRD. Fine. If the Senator will make the request.

Mr. SPECTER. Mr. President, in line with what the distinguished Senator from West Virginia has said, I ask unanimous consent to be granted, at the conclusion of the proceedings under this amendment, a period not to exceed 15 minutes.

Mr. WARNER. Mr. President, reserving the right to object, and I will not object.

Mr. PRYOR. Mr. President, reserving the right to object.

Mr. WARNER. Has the Chair recognized the Senator?

Mr. STEVENS. Mr. President, I still have not yielded. I would like to know the situation. Do I have the floor?

The PRESIDING OFFICER. The Senator from Alaska still has the floor.

Mr. STEVENS. I am pleased to yield to the Senator from Pennsylvania for the purpose of that unanimous-consent request.

Mr. SPECTER. I thank my colleague from Alaska.

The PRESIDING OFFICER. Is there objection to that request?

Mr. PRYOR. Mr. President, reserving the right to object, and I do not want to object, I certainly do not want to interrupt the flow of the appropriations process, I say to my very good friend from West Virginia, the distinguished chairman.

I think, in all fairness, if I might say to the Senator from Pennsylvania, inasmuch as the Senator has already stated that the remarks he is about to make relate to the remarks made by the junior Senator from West Virginia [Mr. ROCKEFELLER], I think in fairness, Mr. President, that the Senator from Pennsylvania might withhold those remarks until the Senator from West Virginia [Mr. ROCKEFELLER] is on the floor and at least able to hear the statement of the Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I have already asked that the Senator from West Virginia, Senator ROCKEFELLER, be notified, so I have no objection to that, provided Senator ROCKEFELLER is at hand and that I may proceed within the next 10 or 15 minutes.

The PRESIDING OFFICER. Is there objection to that request?

Without objection, is so ordered.

Mr. STEVENS. I yield to the chairman of the committee.

Mr. BYRD. I am prepared to accept the amendment by the distinguished Senator from Alaska.

The PRESIDING OFFICER. If there is no further debate the question occurs on the amendment.

The question is on agreeing to the amendment.

The amendment (No. 2900) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that, upon the completion of the remarks by the distinguished Senator from Pennsylvania, the distinguished Senator from Georgia [Mr. FOWLER] be recognized to call up an amendment.

Mr. SYMMS. Mr. President, reserving the right to object, and I guess the question I want to ask is, do the managers of the bill anticipate then that we are going to have a debate on the Fowler amendment and vote on it tonight, or are we going—because I anticipate this amendment could take 2 or hours of debate from those of us opposed to it. I just think that the Chair needs to realize this is not going to be an easy amendment.

It seems to me this amendment is fairly ambitious to bring up, for example, at 9 o'clock at night. I had several Senators call me and ask me to be sure to object to any time agreement on any timber-related amendments of the Senator from Georgia. I want the leadership to know that.

Mr. NICKLES. If the Senator will yield, I understand the Senator's concerns. I tell our friend and colleague from Idaho, we also contacted Senator CRAIG. It was our hope we could dispose of the Fowler amendment. It was also our hope we could have a vote on it very shortly. I tell our friend and colleague, we debated this issue before and the Senator from Idaho, I think, prevailed on this issue in the past. It was our hope we would not have to go through a very long and lengthy debate, that after a short period of time the motion to table could be made.

Mr. SYMMS. Mr. President, reserving the right to object further, the Senator from Idaho will not object as long as there is no time agreement. I anticipate there will be a motion to table. Then, if the motion to table is not successful, it would be Katie bar the door.

Mr. NICKLES. The Senator is correct.

Mr. SYMMS. I totally agree with that.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

The Senator from Pennsylvania is recognized for 15 minutes.

Mr. SPECTER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Pennsylvania suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceed to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, may I say, I have received word from Senator ROCKEFELLER that at the moment he cannot come to the floor. He would be willing for Mr. SPECTER to proceed with his statement at this time.

Mr. SPECTER. I thank the distinguished chairman of the Appropriations Committee.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 15 minutes.

Mr. DOLE. Will the Senator from Pennsylvania yield?

Mr. SPECTER. I do, with consent that I do not lose my right to the floor under the previous unanimous-consent arrangement.

Mr. DOLE. Mr. President, it was my hope—and I have not talked to the majority leader—it was my hope we would stop voting about 9 o'clock tonight. It was 9 o'clock last night, 9 o'clock Monday night, probably 10 o'clock tomorrow night. I do not know how late on Friday.

As I understand it, after this statement, there will be a timber amendment that will probably take an hour, which would be 10:30, 11 o'clock.

We have been trying to cooperate on limiting the amendments and helping the managers of the bill. We want to continue to cooperate, but we do not want to stay here until 10, 11, 12 o'clock at night.

Mr. FOWLER. Mr. President, may I say to the distinguished minority leader, the Senator from Oklahoma and the Senator from Idaho have been very cooperative. We are waiting for the junior Senator from Idaho [Mr. CRAIG].

But it is not anticipated, in our informal conversations, that my amendment will take an hour; it should not take a half an hour. The issue is very clear and has been debated and voted on before.

But, as the Senator knows, we are just trying to move a long list of amendments that we have and the long agenda that we have to finish between now and early next week.

We are simply trying to dispose of some amendments this evening.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOLE. Yes.

Mr. BYRD. I hope we can proceed to the amendment by Mr. FOWLER. It is my understanding that there will be a motion to table that amendment by Mr. CRAIG. And, as the distinguished Senator from Georgia has already indicated, he does not intend to take long. I had been informed earlier that the majority leader wanted to go awhile.

The Senate spent over 8 hours today before it got to its first vote on an amendment to this bill, and we have several amendments yet, some of which are controversial.

I hope that we can have one more vote, if it does not take too long. If it looks as though it is going to go on awhile, we could close it up and go home.

I would like to get home too, to my wife and my little dog Billy Byrd.

Mr. DOLE. I have my little dog, Leader, too. He does not know me anymore.

Mr. BYRD. If we could proceed, I say to the distinguished Republican leader, and let us see. It might not take long.

Mr. DOLE. I want to be cooperative. We have been trying to work on a number of other things. I am going to go in and see the majority leader now about trying to avoid much activity on Saturday. I think there are a number of things we can agree to do. It would save us a couple of days by agreeing to do these things, not having to be on the floor.

But I hope maybe that might be the last vote. I sort of promised my colleagues 9 o'clock would be it.

Mr. SYMMS. Mr. President, will the Republican leader yield?

Mr. DOLE. Yes.

Mr. SYMMS. I would just like to say, Mr. President, so there is no misunderstanding by the distinguished President pro tempore or the minority leader or others here, that this is an extremely controversial amendment. It is as controversial as the previous Bumpers mining amendment.

And I want to leave the understanding that if there is a tabling motion made by my colleague from Idaho, who I know wishes to do that, and it does not pass, this amendment might take several days before the Senate gets through. I think the Senate needs to realize that.

I do not want Senators to think that we are going to stand around here for 10 and 15 minutes and have a vote and it is going to be all over with. It is not going to work out that way. I want to be honest about this and up front.

Mr. DOLE. I am inclined to vote for the tabling motion if it does not take too long.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. SPECTER. Mr. President, I thank the Chair.

THE HEALTH CARE CONTROVERSY

Mr. SPECTER. Mr. President, I had sought recognition on the floor because of a number of comments made yesterday in a press conference, which I saw last night on C-SPAN, reflecting directly upon the independence of Senators on this side of the aisle, specifically this Senator, as well as other Senators. I think there needs to be a response to these comments.

I had said earlier that these statements were made by the Senator from West Virginia, Senator ROCKEFELLER. I had asked staff to call his office prior to seeking the floor, and they could not get through on his telephones. The senior Senator from West Virginia noted that Senator ROCKEFELLER did not intend to come to the floor, so I will proceed at this time.

The comments were made in the context of an ongoing controversy over health care. The comments were made in a political context.

I might say preliminarily that it is the hope of this Senator that this body would move ahead to the consideration of the substance of health care. This Senator sought to bring the matter to the floor last Wednesday, July 29, by adding an amendment on health care to the energy bill. My amendment included part of S. 1936, which has 23 cosponsors and was drafted by the so-called Chafee task force, and the entirety of S. 1995, which this Senator authored. The distinguished majority leader at that time took the floor and said that the health care amendment did not belong on an energy bill. I replied that I would be glad to withdraw the amendment if we could have a date certain to take up health care on the Senate floor. The distinguished majority leader replied that the schedule could not be so arranged, to which I counterreplied that a date certain, September 8, had been given for one piece of legislation, product liability. At least in my opinion, health care is more important than product liability.

So I say that by way of a background, that I hope we will be able to move to the substance of health care and get on with our business of representing the American people. It is imperative that affordable health care for all Americans be provided.

As to Senator ROCKEFELLER's comments, there was a press conference yesterday - attended by a number of Senators from the Democratic Party. During the course of that press conference, on three occasions, the Senator from West Virginia [Mr. ROCKEFELLER] made some inappropriate statements, which I will quote directly. This is from the transcript of the C-SPAN news conference:

> There are Republicans who would be glad to sign on to what we have done, but are being precluded from doing so by the White House just as they were told to vote against the Pepper Commission by OMB, and by John Sununu directly.

I take strong exception to that, Mr. President, because this Republican Senator is not precluded from doing anything by any direction from the White House, or John Sununu, or anyone else.

Later on in that same news conference in response to a question:

> Do you have the votes to pass for—?
>
> Senator ROCKEFELLER. Yes, you have to have in this business—and you know perfectly well you have to have 60 votes.
>
> Question. Do you?
>
> Senator ROCKEFELLER. We have 57 Senators, and no Republican Senator that I know of would be allowed to vote for that.

Again, I take very strong exception to a reference here that, "no Republican Senator that I know of would be allowed to vote for that." We are independent, Mr. President, under article I of the Constitution. Congress was set up first in article I. It was not until article II that the President and the executive branch were set up, and not until article III that the courts were set up.

Then there is a third reference, Mr. President. It comes in the context again on discussion of health care. Senator ROCKEFELLER says:

> There are a lot of Republicans who would agree to one of those approaches, too, but they are not allowed to.

Three times in the course of a very short discourse Senator ROCKEFELLER claimed that Republican Senators were not allowed to do something.

Again, I take very strong exception to that. Senators are independent. We are not told what to do by anyone.

The fact of the matter is, when the question was raised to Senator ROCKEFELLER about whether he had enough votes for cloture, he said he had 57 Democrats. This Senator is prepared to vote for cloture if necessary to bring health care to the fore. I do not care whose health care bill it is; this Senator is prepared to vote for cloture.

I believe that to say that Senators are not allowed to do something directly impugns our independence.

As to the merits of having a health care bill on the floor, this question was posed by one of the news people present.

> QUESTION. Senator Rockefeller, can you tell me when Senator Mitchell's and the Democratic health care bills will come to the floor?
>
> Senator ROCKEFELLER. Well, I understand your point because we are so aggressive and so committed to health care on our side of the aisle that we not only have put out not just a full program for access to health care, but what has not been mentioned here this morning, an entire full program for long-term care. So they're both out there; they're both on the floor; they're both absolutely ready.
>
> Secondly, we are also working to try and further refine, with a tremendous burst of activity which has been going on now for about a month and a half, in which we have been looking, going to our colleagues and trying to meld the approaches that we do have together to make an even more refined proposal.
>
> But the basic point obviously is that we are desperately active on this and that if we had any, any sense of encouragement from the White House, there are Republicans who would be glad to sign on to what we have done, but are being precluded from doing so by the White House just as they were told to vote against the Pepper Commission by OMB and by John Sununu directly.

Many on this side of the aisle have urged that a health care program be brought forward so that we can vote on it. When language is used, "We are so aggressive and so committed"; "A tremendous burst of activity"; and "We are desperately active on this"—I wonder, where is this aggressiveness? Where is this burst of activity? Where is this desperate activity?

Later on the Senator from West Virginia [Mr. ROCKEFELLER] says:

> I mean, we're trying everything we know. But in this town which is a one-man town, one-person town, if you have no indication of any support from the White House you are checkmated on something as complicated as health care reform.

I disagree with that directly and categorically. This is not a one-man town. The Congress of the United States is independent. Leadership can come out of the Congress of the United States and from the Senate. This Senator made that effort last Wednesday by bringing up an amendment on health care, with a willingness to withdraw that amendment if we could get a date certain as to when we would take up health care.

Another Member from the other side of the aisle said:

> "First I learned fast that without a new President, without someone who isn't going

to ridicule, block, and veto fundamental health care reform"

He goes on to say it cannot be done.

The President has not vetoed health care reform. No health care reform has come to the President.

I say to you that it really is specious to make a claim that President Bush is an obstructionist, because no legislation has been submitted to him. What really ought to be done is not all of these protestations about desperate activity and aggressiveness—but national health care ought to come to the floor. I think that if the Senator from West Virginia [Mr. ROCKEFELLER] would offer the legislation that he would find many on the Republican side of the aisle who would be very anxious to join with him. It serves no purpose and I think it just plain inappropriate, to make these repetitive statements that Republican Senators are not allowed to take any course of action.

As I say, the principal reason for my seeking the floor was to voice my strong objection to these comments. I have noted further the absence of any effort by those who control the Senate, the Democratic Party, to bring health care to the floor. Yesterday there was an extensive discussion by the distinguished Senator from Rhode Island [Mr. CHAFEE] who is the leader of the Republican task force. His comments appear in yesterday's RECORD at pages 11443 and 11444, which I shall not repeat, and set out the chronology of efforts made by Republicans to try to move health care legislation along.

I would make one more comment and I would make this in a spirit of suggestion, realizing that people can say whatever they want in our grand, free society with lusty debate.

When the Senator from West Virginia [Mr. ROCKEFELLER] talks about the President and says, "The President talked yesterday in Dalton, GA, using those classic cop out, stupid nationalized socialized medicine words, the same things he used to talk about Medicare back in 1964 and 1965, he says that his health care plan will cover all, that is a lie."

Anybody can say what they like anyplace, especially on the floor of the U.S. Senate. It would be my hope, however, that in our civilized debate, even in a Presidential election year with much at stake, that we would not call each other liars. It is not a lie, it is not an intentional misstatement of fact.

When we use categories like stupid, I would refrain from that kind of language in talking to anyone. The President of the United States does not have more status than anyone else in not being called stupid. I just hope that as we move into the last part of a very acrimonious political season that we would all refrain from using words like "stupid" and "lie." Instead, we should direct our attention to the business of the country; we should not impugn the independence of each other by saying that Senators are not allowed to do something or another; we should recognize the importance of national health insurance, get it listed on this floor and move ahead to a resolution.

In 1990, we had a very technical, complex bill on the floor, the Clean Air Act. Many people said it could not be legislated. When it came to the floor, we worked hard, and we passed a very important bill. We took 10 million tons of sulfur dioxide out of the air, legislated on tailpipe emissions and legislated on industrial pollution.

I think we can do that with health care, Mr. President. We must tackle it as responsible legislators. We should take the initiative in the Senate, send the bill to the President's desk and take the steps to provide affordable health care for all Americans.

I thank the Chair and yield the floor.

Mr. SYMMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1993

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. FOWLER this evening, one way or the other, that he be permitted to call up his second amendment—he has a second amendment on the list—and lay it down so the Senate could proceed in the morning at such time as the distinguished majority leader wishes to put the Senate back on this bill. There would be an amendment pending then and the Senate would not be kept waiting for a Senator, any Senator to come call up his amendment. If he has another amendment on the list, he is entitled to call it up at some point. He is agreeable to laying it down tonight and beginning on it tomorrow morning.

So I make the request.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Reserving the right to object, and I shall not object, I just inform the chairman of the committee that I think Senator GORTON was planning on laying down his amendment tonight. I do not know if he would care that much, but I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Would the Senator like to get consent or ask consent that upon the disposition of the second amendment by Mr. FOWLER that Mr. GORTON be recognized to call up his amendment?

Mr. NICKLES. I think that is an excellent idea.

Mr. ADAMS. Reserving the right to object, Mr. President. Are we going to Senator GORTON's amendment tonight after the Fowler amendment? Tomorrow?

Mr. BYRD. No. May I say to my friend from Washington that the distinguished junior Senator from Washington [Mr. GORTON] is on the list which has been agreed to. He has an amendment on the list. So he would be entitled to call up his amendment at some point. I merely made the suggestion that upon the disposition tomorrow of the second amendment, which Mr. FOWLER has——

Mr. ADAMS. That would be tomorrow, Mr. President?

Mr. BYRD. Yes, that Mr. GORTON then be recognized.

Mr. ADAMS. I wanted to be present in the event it was presented. I did not know if it was tonight or tomorrow. I thank the chairman.

Mr. BYRD. I thank my colleague.

Mr. President, as I understand it, the amendment by Mr. GORTON on the list has to do with timber salvage in spotted owl habitat conservation areas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FOWLER addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia [Mr. FOWLER] is recognized.

AMENDMENT NO. 2901

(Purpose: To reduce funding for timber sales preparation for certain forests in the National Forest System and limit the quantity of timber from the National Forest System that may be sold at less than cost)

Mr. FOWLER. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Georgia [Mr. FOWLER] proposes an amendment numbered 2901.

Mr. FOWLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 54, line 25, strike "$1,306,077,000" and all that follows through "*Provided*," on page 55, line 5, and insert the following: "$1,271,077,000, to remain available for obligation until September 30, 1994, and including 65 per centum of all monies received during the prior fiscal year as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601-6a(i)): *Provided*, That not more than $58,216,000 shall be made available for timber sales preparation, except that the amount of funds made available for timber sales preparation for national forests identified as having negative receipts from timber sales in the annual report of the Timber Sale

Program for fiscal year 1992 shall be reduced by $35,000,000, with the reduction to be made on a pro-rata basis based on the quantity of timber sold from each forest in fiscal year 1992: *Provided further*, That the Secretary of Agriculture may not sell at less than cost a quantity of timber located on National Forest System lands that is more than 75 percent of the volume of the timber sold at less than cost for fiscal year 1992: *Provided further*,".

Mr. FOWLER. Mr. President, I am introducing this amendment to the Interior appropriations bill to address the issue of below-cost timber sales on our national forests, our public lands, and restore sound economic and ecological management to our national forest system.

In a time when our citizens are demanding better stewardship of all our natural resources, and particularly our public lands, national forests, at a time when they are demanding fiscal accountability and an end to Government giveaways, the Forest Service's procedures have simply not kept pace with the times. It seems to me it is time we start to bring the Forest Service in line with the level of Government responsibility the American people are demanding in 1992.

This amendment turns the tide against expanding logging operations in our national forests that lose money for the taxpayers. It would begin to impose some reason on the Forest Service roads program that has already bulldozed more than 360,000 miles of logging roads in our national forests. It will begin to reverse the trend of turning forests, our national forests, into mere tree farms, all at a loss to the taxpayers.

Now, the Forest Service admits that more than half of our national forests lose money on the Forest Service-administered timber sales, meaning that woodland resources and wildlife habitats disappear along with taxpayer funds from the Treasury.

When the total cost of road building and bureaucratic overhead are figured in, many more of these timber sales come up losers for the American people economically and ecologically. One study challenging Forest Service figures claims that timber sales in 101 of our national forests generate over $250 million a year in losses for the American taxpayer.

In other words, the American people pay more and end up with less. Most timber sales in our national forests do not cover the Government's cost of producing the timber.

It seems to me it is time for an honest accounting and responsible management of the public trust our national forests represent. That means no more ecological destruction at taxpayer expense. That means timber sales conducted according to sound business practices that do not depend on public subsidies. That means weaning the Government off of this wasteful practice in the majority of our forests.

Mr. President, this amendment provides for a 25-percent reduction in national forest timber sold where cash returns to the Treasury do not cover the cost of growing and selling the timber.

The amendment reduces the Forest Service's National Forest Service budget by $35 million to reflect the reduction in appropriated funds to administer these sales.

I believe this will force the Forest Service to consider the real costs of selling off our public forest lands. It will steer the Forest Service toward sounder management practices. It will get us on the road to eliminating timber sales that cannot be supported by the bottom line in these days of budget deficits, and it will force the Forest Service to begin making the most of our taxpayers' investment in these forest resources.

Ideally, I would like to see the Forest Service at the forefront in the fight to protect our forests from excessive timbering and road building, to assure wildlife diversity and survival of species and, most importantly, to preserve some semblance of this public trust for our future.

I thank the Chair and I yield to my colleague from Idaho.

The PRESIDING OFFICER. The Senator from Idaho [Mr. CRAIG] is recognized.

Mr. CRAIG. I thank the Chair.

Of course, I have to rise in opposition to the amendment of my colleague from Georgia.

A 25-percent reduction in the U.S. Forest Service Timber Sales Program, or a $35 million reduction, one in the same, can be broken down into very clear and important figures for all of us to look at.

I have some degree of understanding and concern for this amendment in that the Forest Service, through its planning process, through the appeals that are underway on myriad forest timber sales, and through a reevaluation of forest practices, has already produced a phenomenal reduction in the sale of timber volume in this country today.

The issue of the spotted owl in Oregon and Washington and northern California has reduced timber sales to such an extent in the Pacific Northwest it is estimated that nationwide it has driven up the cost of a 2,300 square foot home by over $4,000 per home. That is what is going on today before the application of the Fowler amendment.

If my colleague from Georgia were to be successful in his effort to amend this Interior appropriations bill, here are some of the impacts that would occur nationwide.

At a time when our country is struggling economically to come alive again, at a time when this very Senate is talking about the creation of positive economic forces to produce jobs, my colleague from Georgia is suggesting a 27,000 job reduction in forest-related employment, in the actual logging that goes on on our public lands, and associated industry loss; a wage loss of $1.2 billion would occur, $189 million in lost tax revenues, unemployment payments now for those who would not be working—I am sure the Senator from Georgia would want to make sure they were compensated for not working or being put out of work—of about $71.4 million. The figures go on and on. A loss of $489 million in timber program revenues.

Mr. President, it is not just some insignificant reduction in the timber harvest plan of the U.S. Forest Service. It is devastating to the forest products industry and to a major part of the employment base, not just of the Pacific Northwest but of the entirety of the Nation.

Region 1 and region 4 are the regions that make up the State of Idaho. Here is what the Senate bill would currently allow in total millions of board feet harvested annually. Here is the significance of the Fowler reduction.

Let us talk about the region of the country of the chairman of the Interior Subcommittee and the chairman of the full Appropriations Committee. It would be laid to waste by an over 500 million board feet reduction based on the proposal of a below-cost reduction cut of 25 percent or $35 million. That is the kind of impact that can be realized.

Mr. President, let us talk about Idaho—64 percent owned by the Federal Government, my home State. Am I being parochial tonight? You bet I am. That is what I am hired to do around here, to consider the importance to Idaho as it relates to national policy in a State that is 64 percent controlled, owned by the citizens of this country. It eliminates an annual harvest of 750 million board feet, a combination of these two figures.

In the 10 national forests of Idaho, 7,661 direct or indirect jobs would be lost; $323 million in direct income will be lost; $48 million in Federal income taxes generated from Idaho's Federal Timber Program—and the figure gets larger and larger. In other words, we are shooting with real bullets.

This amendment devastates the timber program of U.S. forests. Those are the kinds of impacts that are reality as we deal with this issue.

As I said in my opening remarks, there may have been some value to a consideration of this kind of amendment if we had not already seen, over the last decade, a significant reduction in the overall annual harvest ASQ—allowable sales quantity—based in the forest plans for all of the U.S. forests of this country.

My State is no different. It has experienced those reductions, significantly.

Now that we battled out the issue of the spotted owl and tried to bring balance to that issue, millions that once were buying timber in Oregon and Washington and Northern California now come over into Idaho and Montana and the other part of the watersheds to buy timber and move it back to the coastal mills. The whole of that is a problem.

There is another issue. When you reduce the sales quantities, those private timberlands of the southeast that make up a significant portion of the forest products industry of the southeast their values go up. Not only do their values go up, but the cost of the average home in this country goes up significantly, at a very time when we are trying to get housing starts up, when we are saying to the young men and women of this country: Go out and buy a home; interest rates are low. Become a part of the American dream.

The Senator from Georgia would suggest that he is going to make the American dream much, much more expensive. He is going to take away profits, income from the Federal Government, and he is going to put 24,000 men and women out of work, ask them to go on unemployment, and drive up the cost of that by over $71 million.

My colleagues of the Senate, that is the reality of this amendment.

Mr. President, further, regarding clearcutting on the national forests, clearcutting will be used only under one or more of seven specific circumstances:

First, to establish, maintain, or enhance habitat for threatened or endangered species;

Second, to enhance wildlife habitat or water yield values, or to provide for recreation, scenic vistas, utility lines, road corridors, facility sites, reservoirs, or similar developments;

Third, to rehabilitate lands adversely impacted by events such as fires, windstorms, or insect or disease infestations;

Fourth, to preclude or minimize the occurrence of potentially adverse impacts of insect or disease infestations, windthrow, logging damage, or other factors affecting forest health;

Fifth, to provide for the establishment and growth of desired tree or other vegetative species that are shade intolerant;

Sixth, to rehabilitate poorly stocked stands due to past management practices or natural events; and

Seventh, to meet research needs.

Mr. SYMMS. Will my colleague yield for a question, Mr. President? I thank my colleague. He makes an excellent point.

The question I ask is, is this number in this column not approximately half what it was 10 years ago, in view of all of the other things—the appeals process—that have happened, talking in round figures? But it is substantially reduced from what we used to cut, because I recall very recently we were cutting over 1 billion feet in Idaho, on an annual basis.

We are way down.

Mr. CRAIG. When I came to the U.S. Congress in 1980, Mr. President, this figure was nearly doubled in that decade to what it is today. The employment in Idaho in the forest products industry was 4,000 men and women more than it is today. That is just in the State of Idaho alone.

That is the kind of reduction we have already seen for a variety of reasons, and the kind that I have already mentioned: For environmental reasons; because some of this sale issuance is being appealed; because we are now dealing with buffer zones for riparian areas; because we have become a lot more sensitive to how we harvest and why we harvest.

But those are real numbers.

Of course, the Senator from Georgia would suggest that they be reduced even that much more significantly.

Mr. President, that is why I must strongly oppose this amendment. And recognizing that, Mr. President, I move to lay it on the table.

Mr. SYMMS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WIRTH. Mr. President, I represent a State which is proud of its national forests, and depends on them for many things. We have an active timber sale program in our national forests, and the vast majority of those sales are, according to the Forest Service, below cost sales.

I support the Fowler amendment. I think it is a good idea, and an idea we have to confront in an era when we have less money to spend to achieve all we need to achieve in managing our natural resources.

We simply can't afford to keep selling timber for less than it costs us to sell it, at a time when our budget for natural resource management is being reduced. If we expect to make any headway in fighting budget deficits, we have to be able to cut programs like this, that sell Federal resources but lose money doing it.

Senator FOWLER'S proposal is a 25-percent reduction in such sales. It is not a ban on below cost timber sales. It is not a gigantic reduction. It does not broaden the definition of "below-cost timber sale" that the Forest Service has used, even though many people believe that the Forest Service definition is a very narrow one.

It is, however, an opportunity we can't allow to pass. We need to wake up to the simple fact that we can't afford an unlimited subsidy of economically untenable timber sales, just because we are the Federal Government. Our line of credit is running out.

In Colorado, we have found that many of these sales not only lose the taxpayer money—they also do more to hurt than help our local economies. The primary values of Colorado's forests are not as tree farms, but as watersheds, wildlife habitat, and places for outdoor recreation. Their major economic value for many of our rural areas, is as settings in which people want to come to live and work, and want to stay.

Bulldozing miles of new logging roads into rugged back country where the trees wouldn't pay for a few yards of roads doesn't help that. It often hurts, because these areas are often important wildlife habitat and important watersheds, areas with erodible soils and steep slopes that, if the truth be told, don't take the hard treatment logging brings them very well.

We're not just talking about jobs in recreation and tourism, although that is a very important part of rural Colorado's economy. We're also talking about attracting businesses and people who have their choice of going anywhere they want to.

Colorado has changed a lot in the last 20 years. Back 20 years ago we had a very different view of the value of our national forests. But now, many of the local communities on the western slope believe very strongly that the quality of their environment is the biggest asset they have, and far more important to a prosperous future than a timber industry.

The Forest Service in our State has been somewhat successful in recognizing that, and moving in that direction. But we need to do more.

Several years ago, President Bush suggested a similar reduction in below cost sales, though it was targeted so that a relative handful of national forests bore virtually all of the impact of the cuts. Some forests would have simply stopped all sales under that plan.

Senator FOWLER'S amendment, which would be spread out over the entire of the forest system, and leaves a great deal of discretion with the Forest Service to choose which sales to continue and which to cut back on, is, to his credit, far easier to implement.

I think that is a sensible approach. Cuts in any government program are going to cause some pain. They are going to require some adjustments. But if we can't get past that to cut a program that both loses money, takes a toll on our environment, and hurts many of the most valuable assets of the communities it directly affects, then we won't be able to cut anything at all.

I urge my colleagues to vote for Senator FOWLER'S amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho to lay on the table the amendment of the Senator from Georgia.

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On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Arizona [Mr. DECONCINI], the Senator from Tennessee [Mr. GORE], and the Senator from Iowa [Mr. HARKIN], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH], is necessarily absent.

I further announce that the Senator from North Carolina [Mr. HELMS], is absent due to illness.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH], would vote "yea."

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 50, nays 44, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—50

Baucus	Gorton	Nickles
Bentsen	Gramm	Packwood
Bond	Grassley	Pressler
Brown	Hatfield	Pryor
Bumpers	Heflin	Riegle
Burns	Jeffords	Roth
Chafee	Johnston	Rudman
Coats	Kassebaum	Sanford
Cochran	Kasten	Seymour
Craig	Kohl	Shelby
D'Amato	Levin	Simpson
Danforth	Lott	Stevens
Daschle	Lugar	Symms
Dole	Mack	Thurmond
Domenici	McCain	Wallop
Durenberger	McConnell	Warner
Garn	Murkowski	

NAYS—44

Adams	Ford	Moynihan
Akaka	Fowler	Nunn
Biden	Glenn	Pell
Bingaman	Graham	Reid
Boren	Hollings	Robb
Bradley	Inouye	Rockefeller
Breaux	Kennedy	Sarbanes
Bryan	Kerrey	Sasser
Byrd	Kerry	Simon
Cohen	Lautenberg	Smith
Conrad	Leahy	Specter
Cranston	Lieberman	Wellstone
Dixon	Metzenbaum	Wirth
Dodd	Mikulski	Wofford
Exon	Mitchell	

NOT VOTING—6

Burdick	Gore	Hatch
DeConcini	Harkin	Helms

So the motion to lay on the table the amendment (No. 2901) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. NICKLES. I move to lay that motion on the table. The motion to lay on the table was agreed to.

Mr. FOWLER addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. FORD. May we have order, Mr. President.

The PRESIDING OFFICER. The Senate is not in order.

The Senator from Georgia.

AMENDMENT NO. 2902

(Purpose: To reform the administrative decisionmaking and appeals processes of the Forest Service)

Mr. FOWLER. Mr. President, I send an amendment to the desk.

Mr. President, I want to yield to the chairman, but for those Members who were not here earlier, under the order agreed to by the body, I have sent my amendment to the desk and it will be first under consideration at the time designated when we come in tomorrow morning.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. FOWLER] proposes an amendment numbered 2902.

Mr. FOWLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . FOREST SERVICE DECISIONMAKING AND APPEALS REFORM.

(a) FOREST SERVICE NOTICE AND COMMENT PROCESS.—

(1) IN GENERAL.—in accordance with this subsection, the Secretary of Agriculture (referred to in this section as the "Secretary"), acting through the Chief of the Forest Service, shall establish a notice and comment process for proposed actions of the Forest Service concerning projects and activities implementing land and resource management plans developed under the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601 et seq.).

(2) NOTICE.—Prior to proposing an action referred to in paragraph (1), the Secretary shall give notice of the proposed action, and the availability of the action for public comment, by—

(A) promptly mailing relevant information about the proposed action to any person who, in writing, has requested it, and to persons who are known to have participated in the decisionmaking process; and

(B)(i) in the case of an action taken by the Chief of the Forest Service, publishing notice of the action in the Federal Register; or

(ii) in the case of any other action referred to in paragraph (1), publishing notice of the action in a newspaper of general circulation that has previously been identified in the Federal Register as the newspaper in which notice under this paragraph may be published.

(3) COMMENT.—The Secretary shall accept comments on the proposed action that are postmarked or filed within 30 days after publication of the notice in accordance with paragraph (2).

(4) ISSUANCE OF DECISION.—Not later than 21 days after the termination of the comment period in accordance with paragraph (3), the Secretary shall consider the comments received and—

(A) issue a decision on the proposed action (including a discussion of the comments); or

(B)(i) determine that a delay in issuing a decision on the proposed action is necessary because—

(I) an issue raised by a comment requires further environmental analysis; or

(II) the consideration of the comments cannot be completed within the 21 days; and

(ii) give written notice of the delay to all persons who submitted comments.

(b) FOREST SERVICE ADMINISTRATIVE APPEALS PROCESS.—

(1) IN GENERAL.—In accordance with this subsection, the Secretary shall establish an administrative appeals process for the appeal of decisions of the Forest Service concerning projects and activities implementing land and resource management plans developed under the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601 et seq.). The process shall provide, at a minimum, one level of administrative review.

(2) TIME FOR APPEALS.—A person may seek review of an agency decision described in paragraph (1) by filing an appeal not later than 45 days after the date on which the decision is issued.

(3) AGENCY DECISION.—An appeal under paragraph (2) shall be decided not later than 45 days after the date on which the appeal is filed. If the Secretary fails to decide the appeal within the 45-day period, the decision on which the appeal is based shall be deemed to be final agency action for the purpose of chapter 7 of title 5, United States Code.

(4) AUTOMATIC STAY PENDING APPEAL.—An agency decision described in paragraph (1) shall be stayed beginning on the date the decision is issued and ending—

(A) if no appeal of the decision is filed, 45 days after that date; or

(B) if an appeal of the decision is filed, 30 days after the earlier of—

(i) the disposition by the reviewing office of all appeals of the decision; or

(ii) the end of the 45-day agency review period provided for in paragraph (3).

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I thank the Chair.

Mr. President, if Senators who have amendments on the list of eligible amendments would show those to the staff on both sides, it would help us to become familiar with the content of the amendments and might expedite matters on tomorrow.

May I say also that on tomorrow we hope that Senators would come to the floor. There will be an amendment by Mr. FOWLER pending. Upon the disposition of his amendment, one way or another, the amendment by Mr. GORTON will be the next amendment.

Following that, I express the hope that Senators would be on the floor and ready to call up their amendments.

I say to Senators that we have been on this bill now since last evening, and there are other matters that have to be transacted. There are two other appropriations bills behind this one, if the majority leader should decide to bring up one or two of those, and he has other matters as well. So we cannot spend too much time on tomorrow.

I say to Senators tonight, those who are here listening, those who will read the RECORD tomorrow morning, and those who will hear by word of mouth, that it will be my intention to move to table amendments if I see a debate is going on too long. We simply cannot tolerate the kind of time that was taken today on the mining amendment, and I use the word "tolerate" in a pejorative sense.

But we have to move on with this bill. I put Senators on friendly notice that it is my intention, and the intention of the distinguished ranking member, to move to table amendments tomorrow after what we consider a reasonable length of time.

And if there is too much tardiness in Senators coming to the floor to call up their amendments, I will give the Senate a 10-minute notice, after which I will move to go to third reading and ask for the yeas and nays on the motion.

I thank all Senators for their courtesy and I yield the floor.

BUMPERS MINING PATENT MORATORIUM

Mr. SYMMS. Mr. President, the general mining law has helped spur America's industrial growth and continues to help U.S. manufacturers keep up with foreign competition. It is based on a simple principle of private property—tenure and access. Without tenure and access, no risk capital will be available.

The reason given for the moratorium on patents given is that this law is a ripoff. That just isn't true. The case just hasn't been made that this law is broken.

Mr. President, the administration is working to fine-tune this law to keep up with modern mining practices. The Bureau of Land Management has new regulations requiring bonding requirements designed to ensure reclamation on all mining operations on BLM lands. BLM Director Cy Jamison has told me that his goal is to require reclamation bonding for all mining activities on Government lands.

Mr. President, these new regulations will be added to the burden on mining companies that exist from myriad costly State and Federal environmental regulations, laws, and permits required for mining operations. The sponsor of this amendment ignores these facts.

Federal and State environmental laws enacted in the past two decades have had a profound effect upon activities under the mining law and provide a good example of the flexibility inherent in the mining law and how it adapts to changing circumstances.

State reclamation statutes typically cover exploration, mining, and reclamation. Permits are usually required before mining starts and an operation reclamation plan must be approved in order to obtain a permit. There are specified reclamation standards, provisions for performance, and reclamation bonds resulting in a comprehensive program of regulation.

The Federal Land Policy Management Act and Forest Organic Act grant the Federal Government more than ample opportunity to require reclamation of mining sites on public lands and such reclamation is being accomplished.

Both the Bureau of Land Management and Forest Service have issued separate sets of comprehensive administrative surface management regulations governing mining activities. These comprehensive regulations impose substantial requirements on anyone attempting to prospect and develop minerals on public lands.

Federal environmental laws governing mining activities include the following: The Clean Air Act; the Clean Water Act and the no-net-loss of wetlands policy; the Resource Conservation and Recovery Act; the Comprehensive Environmental Response, Compensation, and Liability Act; the Toxic Substances Control Act; the Endangered Species Act; and The Archaeological Resources Protection Act.

Also, the National Environmental Policy Act requires the preparation of an environmental impact statement whenever a Federal agency has to take a major action significantly affecting the environment. Generally, the development of a mine will require some Federal permit, license, or right-of-way that will result in the preparation of an environmental impact statement under NEPA.

Now, I don't know what else we can do to stop mining on Government land in this country, but the amendment by the Senator from Arkansas is a good first step. This moratorium would tell American investors to avoid mining. The investor uncertainty alone will lock the West into a very long-term recession.

In closing, Mr. President, I don't believe the mining law is broken. Maybe it can be fine-tuned, but the Bumpers amendment is an irrational way to give the Congress another year to think more about changing this law. I would urge my colleagues to oppose this amendment.

The PRESIDING OFFICER (Mr. GLENN). Who seeks recognition?

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

TODAY'S BOXSCORE OF THE NATIONAL DEBT

Mr. CRAIG. Mr. President, Senator HELMS is in North Carolina recuperating following heart surgery, and he has asked me to submit for the RECORD each day the Senate is in session what the Senator calls the "congressional irresponsibility boxscore."

The information is provided to me by the staff of Senator HELMS. The Senator from North Carolina instituted this daily report on February 26.

The Federal debt run up by the U.S. Congress stood at $3,995,821,754,626.43, as of the close of business on Monday, August 3, 1992.

On a per capita basis, every man, woman, and child owes $15,556.48—thanks to the big spenders in Congress for the past half century. Paying the interest on this massive debt, averaged out, amounts to $1,127.85 per year for each man, woman, and child in America—or, to look at it another way, for each family of four, the tab—to pay the interest alone—comes to $4,511.40 per year.

WASHINGTON REDSKINS IN VIRGINIA

Mr. WARNER. Mr. President, I rise to address issues relative to a proposal to relocate the Super Bowl Champion Washington Redskins from the District of Columbia, across the river to a new stadium complex at the Potomac Yard in Alexandria, VA.

This matter is now before the Congress as a result of an unexpected, unusual action taken by the House of Representatives on the fiscal 1993 appropriations bill for the VA, HUD, and various independent agencies.

Specifically, a provision was included in the House version of this bill which, in effect, would prevent any Federal agency from reviewing, planning, or permitting a stadium being built on this specific site until an environmental impact statement has been prepared and approved by the Environmental Protection Agency.

Numerous concerns about this issue and the ensuing House action led me recently to contact certain of my Senate colleagues on the Appropriations Committee and ask that the Senate bill not contain a provision, at this time, on the question of an environmental impact statement for the proposed stadium site. Let the Senate remain silent for the moment.

I would like briefly to outline those concerns.

First, I want to make clear that I stand second to no one in my enthusiasm for, and support of, the Redskins team. I congratulate them, once again, on their championship season of last year.

Furthermore, I want to underscore that I, for one, would be delighted and thrilled if circumstances, acceptable to Virginians, were to bring the Redskins to a new home in the Commonwealth of Virginia—already the home, I might add, of Redskins Park near Dulles International Airport.

I must stress, however, that on the subject of a specific site for a proposed new stadium, I am neutral for I, and others, do not have all the facts.

My motivation in preventing inclusion of an environmental impact statement provision in the Senate bill was not pro or con as far as the specific Potomac Yard site is concerned.

Rather, it is essential, it seems to me, that on an issue of this magnitude—in terms of both financial obligation and future economic and environmental impact on our metropolitan area—we keep an open mind until all the facts are known.

I want to avoid a political football game in which a very important decision vitally affecting the future of this area is determined without all the facts. I want to avoid premature congressional action which would effectively foreclose an independent review by the Virginia General Assembly.

I am told that the negotiations between the Commonwealth of Virginia and the Washington Redskins are nearing the final details and are being put in a form that the public and the Senate can review and use to make an informed judgment.

As of today, the available facts are basically limited to framework statements by Gov. L. Douglas Wilder of Virginia and Jack Kent Cooke, owner of the Redskins, and the media interpretations and speculations that followed.

Soon, however—on August 14—the essential information is scheduled to be provided by the principals to appropriate committees of the Virginia General Assembly.

Therefore, I say simply to my colleagues here in the Senate that fairness and rationality dictate that these parties be given time to make public all the facts. Then those opposed have equal opportunity to make known their views. The Senate then has the opportunity to study and analyze all viewpoints, objective merits as well as defects, prior to the House-Senate conference on the VA, HUD, and independent agencies appropriations bill in September. The Senate can then express an informed judgment at that conference. Such a delay will not prejudice the House position. But a rush to judgment today could prejudice others.

In addition, a fundamental threshold question occurs to me about whether a Federal interest can be said to exist at this point with regard to the Potomac Yard proposal.

I say the Congress would best exercise restraint and caution before injecting itself—permaturely and peremptorily—into a controversy among certain Virginia factions, and between officials of two localities in Virginia and the District of Columbia.

Potential points of Federal interest can be evisioned—access to the George Washington National Parkway, funding for expansion of Metro service in support of a stadium, FAA operations at nearby National Airport, and legitimate environmental questions about cleanup of the Potomac Yard Site. But facts on these important questions are still being developed.

But debate—let alone congressional action—at this time, before a full and fair airing of all the facts, hardly ranks above the level of sophisticated speculation.

In addition, plans for an analysis of the existing environmental conditions are underway. The Environmental Protection Agency is currently negotiating a consent decree with RF&P Railroad, the responsible party. My action at this time not to impose a legislative mandate for an environmental impact statement does not preclude the possibility that one may be required as this process moves forward. Current Federal law requires that should the stadium proposal involve a major Federal action, an environmental impact statement will be performed.

And so again, I say that fairness to all parties, fairness to the Senate, compels a reasonable delay.

I am not prepared—nor do I believe the Senate should consider itself prepared—to pass judgment at this time on the merits and substance of the stadium proposal, or on whether congressional action is appropriate.

I purposely restricted my actions to procedural steps not to take a position for or against the Potomac Yard proposal at this time.

On the morning of July 30, following House action, I contacted the chairman and ranking members of the Subcommittee on the Veterans' Administration, HUD, and Independent Agencies. They concurred in my request that language requiring an EIS for Potomac Yard not be included in the Senate bill at this time.

Later that day, Governor Wilder called me and I informed him of my actions. That call was the first contact I had had with the Governor on the stadium issue.

I have had no contact with Jack Kent Cooke or anyone affiliated with the Redskins organization regarding the Potomac Yard site.

I have taken these procedural steps on my own initiative, out of a sense of fairness to all parties and the Senate.

This is a procedural step which assures fairness to all.

I ask, Mr. President, that three editorials addressing this subject be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Richmond Times-Dispatch, Aug. 1, 1992]

IN BRIEF

Applause, please, for Senator John Warner. He evidently has stalled or even derailed Alexandria Congressman James Moran's attempt to inject Congress into the debate over the proposed Jack Kent Cooke Stadium at Potomac Yard. Although the project would have to get clearance from the Environmental Protection Agency, it is essentially a state and local matter. Congress isn't a "super town council."

[From the Richmond Times-Dispatch, Aug. 4, 1992]

WAITING GAME

Here's a revolutionary idea for Alexandria Congressman James Moran and others tempted to go to extremes to block the proposed Jack Kent Cooke Stadium at Potomac Yard: Wait.

Wait until the facts are in before deciding whether to support or oppose the project.

Before the details of the deal were released, Moran announced his opposition. Not content to let the pros and antis fight it out in Virginia's General Assembly, he tried to propel through Congress legislation that effectively would have spiked the stadium. Thanks to the good work of Senator John Warner, the power grab was derailed—at least for now. Other naysayers have acted with Moranic precipitousness.

Troubling questions about the stadium remain. The burden of proof rests with Governor Wilder and Jack Kent Cooke. The responsibility for making a persuasive case is theirs. In public policy, skepticism is a virtue—and this is not the time for a definitive Yes or a definitive No. When Governor Wilder dots the "i's" and crosses the "t's"—and when he calls the General Assembly into a special stadium session—then the time for a decision will have arrived.

[From the Charlottesville Daily Progress, Aug. 2, 1992]

REDSKINS ARE NO BUSINESS OF CONGRESS

Congressional efforts to stop the Redskins from moving out of D.C. may have an unintended effect: showing voters just how petty legislators can be.

Virginians' objections to the proposed relocation of the football team stem from the way the deal was developed. Gov. L. Douglas Wilder's highhanded, secret negotiation came at the expense of Alexandria, where the new stadium is proposed to go. Alexandria so far has had no say-so in the stadium decision. Alexandria did, however, painstakingly work out a zoning plan for the proposed site; that plan said the area was better suited for offices and homes.

Now, as if things weren't complicated enough, Congress has gotten into the act.

The House last week passed legislation calling for an environmental impact study on the stadium site. Sen. John Warner, however, persuaded a colleague not to insert similar language in a Senate bill, thus ensuring at least a cooling-off period on the issue.

That angered Rep. James P. Moran, the Northern Virginia Democrat who offered the House version of the legislation.

"The congressman has said that he basically expects this [law] to stop the stadium," an aide said. "Most environmental impact statements take two to five years."

Now, that's being frank. Mr. Moran's sponsorship of the legislation is based less on environmental concerns than on an obvious desire to please the Alexandria voters in his district.

He says that the site could be contaminated with hazardous chemicals such as lead, arsenic and PCBs. If so, an environmental impact study should be done—regardless of whether the site is used for a stadium or for

offices. And procedures already exist to make sure that happens.

Mr. Moran even admits that "environmental impact statements are required for stadiums or any other large-scale projects of that type." If so, an environmental impact study will be done—regardless of whether individual congressmen and women favor the stadium.

So if procedures and regulations already exist for initiating such a study, why involve Congress? Why should the nation's top legislators make this decision for Virginia?

Minority Whip Newt Gingrich had it right when he called the Moran legislation an "outrageous [attempt] to drag a neighborhood fight to the U.S. Congress."

"This is about whether we are a national congress or a city council for the Washington area," he said.

Virginians are angry about the way the governor went over their heads in negotiating a deal, Ironically, Congress is doing virtually the same thing in trying to reverse the arrangement, Even though the results may be to Alexandria's benefit, the methods are highhanded and arbitrary.

The governor makes a deal, the Congress trumps him. . . . If this one-unmanship goes on, next we'll have the president involved.

D.C. MAYOR TOO UNINVOLVED

Whatever you think about the stadium deal, you gotta hand it to Gov. L. Douglas Wilder for pulling it off.

Mr. Wilder knew just what to do and was willing to do it—personally. Mr. Wilder adroitly stroked Redskins owner Jack Kent Cooke's ego, promised him some financial concessions and, lo, the bargain was made.

By contrast, D.C. Mayor Sharon Pratt Kelly has been unwilling to meet personally with Mr. Cooke. Her early reluctance to do so has been cited as one of the reasons he went looking for stadium property outside the District. Even at this stage of the game, she has assigned stadium negotiations to a subordinate.

Mr. Cooke wants to be treated with the adulation due a bowl-winning quarterback. Fine. A little pandering to the ego is cheap compared to losing a national football team.

AMERICAN RELATIONS WITH VIETNAM

Mr. PELL. Mr. President, I have recently received an excellent article written by a former staff member of the Senate Foreign Relations Committee, Dr. Henry J. Kenny.

Dr. Kenny's article, "American Interests and Normalization With Vietnam," appeared in the summer issue of the Aspen Quarterly. Dr. Kenny's interest in Vietnam is both professional and personal. A West Point graduate, Dr. Kenny was severely wounded while serving with the Green Berets in Vietnam.

At a time in which the debate on Vietnam continues to be heated, Dr. Kenny brings both compassion and well-reasoned analysis to the issue of our future relations.

I commend his article to my colleagues for their reading and ask that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN INTERESTS AND NORMALIZATION WITH VIETNAM

(By Henry J. Kenny)

"The men with whom I talked were strong and serious. I told them that I regretted more than they would ever know the necessity of ordering them to Vietnam. I remember vividly my conversation with one soldier. I asked him if he had been to Vietnam before. He said: 'Yes, sir, three times.' I asked if he was married. He said: 'Yes, sir.' Did he have any children? 'Yes, sir, one.' 'Boy or girl?' 'A boy, sir.' How old is he? 'He was born yesterday morning, sir' he said quietly. It tore my heart out to send back to combat a man whose first son had just been born."—Lyndon B. Johnson at Ft. Bragg, N.C., 1968.

Twenty-five years ago American forces were locked in mortal combat with North Vietnamese infantry across the length and breadth of South Vietnam. The Tet (New Year's) offensive of 1968 was about to begin, and before it was over, 500 young men a week would be returning home in coffins, hospitals would be overflowing with amputees, burn victims, paraplegics, the blind and others, public opinion would turn decisively against the war, President Lyndon Johnson would declare he would not seek another term, and Richard Nixon would campaign for the presidency with a plan to bring the boys home and end the war. It took another five years and twice the number of names which would be inscribed on the black granite wall of the Vietnam Memorial in Washington, D.C., before that end was accomplished, and two additional years before the last American helicopter departed the abandoned American Embassy in Saigon. The world has turned over many times since those dark days of frustration and pain. The generation which fought the war has grown to middle age, while the generation which succeeds it has heard of Vietnam only as a difficult war, and like the average American of the early 1960s, is not quite sure where to locate it on the map. Yet despite the passage of so many years, the United States has yet to normalize relations with its former enemy. It is time, in 1992, to take that step, both because it serves a broad range of continuing American interests in Indochina, and because it best embodies the values for which so many Americans paid the ultimate sacrifice a generation ago.

BACKGROUND

Recognition of Hanoi had been considered as far back as 1946, but support for France in what was perceived as a Cold War confrontation in Indochina obstructed the action. Two wars and 32 years later Washington again pursued the possibility, but any prospect for normalization vanished when Vietnam invaded Cambodia in later 1978 and installed a loyal government in Phnom Penh. Hanoi declared the move necessary to defend Vietnamese border villages from Khmer Rouge attack, and later justified its actions as necessary to prevent Khmer Rouge genocide inside Cambodia. Washington saw it as Vietnamese expansionism, not unlike the occupation of Cambodia by the Nguyen dynasty during the 18th century, and fed by Vietnamese visions of hegemony in Indochina as reflected in Ho Chi Minh's last will and testament. This dichotomy of views persisted for over a decade, a legacy of mistrust characterized the relationship, and diplomatic recognition appeared extremely remote.

Then, in the spring of 1988, Vietnam clearly signaled that it not only desired normalization, but was prepared to take major steps to attain it. First, it directed the People's Army of Vietnam to begin withdrawing from Cambodia, and in September the following year announced that all its troops, once numbering more than 180,000, had left the country. Second, it started returning the remains of American servicemen in unprecedented numbers, and began allowing American inspectors to visit aircraft crash sites. Finally, it declared liberal economic policies and encouraged a dramatic rise in trade with Western countries.

The Bush administration inherited both the challenge of how to respond to Hanoi's initiative and the fact that normalization had taken on overtones far more significant than the traditional recognition of governments as having *de facto* or *de jure* control over their own population and territory. Although not generally constituting approval of the policies and practices of the regime to which it is extended, diplomatic recognition in the Vietnam context has been viewed as a reward for accommodating U.S. interests, a *quid pro quo* for concessions from an erstwhile enemy. The administration thus required that Vietnam not only withdraw from Cambodia, but cooperate in helping settle the civil war there. It also strengthened MIA policy, stating that the pace and scope of normalization will be dependent upon, not just related to, progress in accounting for missing Americans. These two interests, Cambodia and MIAs, presently dominate Washington's agenda for relations with Hanoi, and were highlighted in the "road map" of phased normalization presented to Vietnam in 1991.

Although never central to American participation in the Vietnam war, Cambodia was and is part of the greater struggle for Indochina, in which the best of American intentions has been to support independent states free from both external domination and internal tyranny. U.S. policy toward Cambodia today reflects this goal, seeking both to prevent Vietnamese domination and to ensure as democratic a political process as possible in that war-torn land. The road map thus specified that a cease-fire (begun May 1, 1991), an international accord (signed October 23, 1991), and a U.N. presence (formally begun March 15, 1992) precede a partial lifting of the trade embargo on Vietnam (a telecommunications accord signed April 15, 1992, and commercial sales of food and medicine "to meet basic human needs" authorized April 29, 1992). Ironically, the very success of U.S. policy to date is clear evidence that Vietnam is not impeding the peace process, and that the time is at hand to ask whether normalization with Vietnam would not expedite, rather than delay, in Southeast Asia the winds of change which have already transformed Eastern Europe and the former Soviet Union.

A similar irony pertains to Americans missing in action (MIAs). The nearly 2,300 men who did not return from the war fought for ideals of freedom and justice, however misconstrued at times in the breach of American policy and strategy. Their sacrifice, like those of their comrades-in-arms, calls for not only as full an accounting as possible, but also a national policy to maximize the opportunity for peace and freedom in the land from which they never returned. Present policy has outlived its utility in this regard. First, it delays entry into Vietnam not just of diplomats but of American citizens who would live there to conduct business. Information on MIAs, as on any other issue, cannot be damaged by an increased U.S. presence. Second, postponing normalization deprives Hanoi of an incentive to co-

operate in what has become a clear linkage between political relations and MIA gestures. Finally, the continued isolation of Vietnam prolongs inevitable political change, which could lead not only to the fullest possible MIA accounting but also to increased freedoms for which the MIAs paid such a dear price.

A third U.S. interest, that of American business, was mentioned in the road map, but was treated primarily as an enticement for Vietnam to act on the Cambodian and MIA issues. With an increasing number of foreign companies positioning themselves for long-term gains in Vietnam, American firms are seeking to overcome their competitive disadvantage by advocating that the government lift restrictions on non-strategic trade and investment. Individual CEOs, however, remain reluctant to press the issue for fear of being "out front" while concern for Cambodia and MIAs remains intense.

A fourth American interest, humanitarian concern for the people of Vietnam, has received even less attention. While U.S. policy maintains that humanitarian issues are important in the context of normalization, it refers to such interests primarily in terms of special categories of persons, such as reeducation camp prisoners, Amerasians and MIAs. Neither the administration nor the Congress has focused on the impoverished and repressed condition of the people of Vietman, yet it was in their name that America sacrificed more than 59,000 servicemen in 13 years of war. Washington is now attempting to reinforce their isolation by barring them from Western products and ideas, thereby postponing the information revolution so crucial to the social change witnessed elsewhere in the world.

It is to the issue of normalization and its relationship to these four interests—Cambodia, MIAs, American business and humanitarian concern for the people of Vietnam—that we now turn.

CAMBODIA

In early 1992 Khmer Rouge forces violently attacked villages and government outposts in northern Cambodia, killing more than 100 innocent civilians and adding 20,000 men, women and children to the more than 600,000 displaced persons seeking to be resettled within the next year. The repeated and brutal nature of the attacks demonstrates once again the wisdom of America establishing closer relations with its onetime foe and ardent Khmer Rouge enemy, Vietnam. Initiated under the aegis of General Ta Mok, the notorious Khmer Rouge leader in the north, the attacks bespeak not just possible dissention within the ranks of Khmer Rouge leadership, but a willingness of some Khmer Rouge leaders to pursue military means to expand areas of control, even if that means disrupting the peace process so meticulously planned by the United Nations. In disrupting the U.N. effort, moreover, the Khmer Rouge also effectively disrupted the normalization process between the United States and Vietnam, a process whose fulfillment would threaten Khmer Rouge viability.

The United States and Vietnam share an extremely important goal in Cambodia—to prevent the return to power of the genocidal Khmer Rouge. Khmer Rouge forces are estimated at more than 30,000 hard-core fighters. Although their size and capabilities are consistently denigrated by the Hun Sen government in Phnom Penh, they are by far the best trained, disciplined and experienced of the four Cambodian factions. Their strength in the Cardamom mountains of southwestern Cambodia has gradually extended to the Elephant Range of the south and various base areas in the northeast. From these positions they have threatened the main trade routes with Phnom Penh from Thailand and the port of Kompong Som. They are considered to have sufficient weapons and ammunition for several years of sustained operations and have cached many of them in mined base areas no U.N. inspection team will ever find. Most observers had concluded that in any election Khmer Rouge elements would be soundly defeated, but in recent years the organization has undertaken a massive campaign to reshape its image. Using pictures and the symbolism of the still-popular Sihanouk, Khmer Rouge forces enter villages to propagandize not just by lectures, but by good behavior. They typically pay for any chickens or other food needed, bivouac around local pagodas and portray themselves as the saviors of Khmer nationhood from the Vietnamese and their lackeys in Phnom Penh. Recent reports from Cambodia indicate that these tactics, coupled with selected attacks on government provincial forces, are resulting in a gradual expansion of Khmer Rouge population control in the countryside.

This trend directly impacts America's second major goal in Cambodia, the conduct of free and fair elections for the purpose of a "just and durable settlement of that war." The road map even delays normalization until after a U.S.-supervised election and the seating of a new national assembly in Cambodia. The concept of elections in a country with minimal experience with them has been driven by a desire to promote democracy and protect the non-Communist Sihanoukists and Khmer Peoples National Liberation Front. Fearing not just the return of the Khmer Rouge, but a potential tyranny and surrogate for Vietnamese control in the Hun Sen regime, the United States persuaded the five permanent members of the United Nations Security Council (the Perm Five) to approve a plan for a "comprehensive political settlement" in Cambodia. In late 1990 a draft of this plan, approved by the Security Council and the General Assembly, was agreed upon by the four Cambodian factions as a basis for resolution of their conflict. It called for investiture of national sovereignty in a four-party Supreme National Council (SNC) for an interim period during which a United Nations Transitional Authority for Cambodia (UNTAC) would oversee the functions and activities of governmental administration, supervise a cease-fire and the demobilization of military forces, and organize elections.

Vietnam, however, supported Phnom Penh by raising three objections—that Khmer Rouge genocide was not taken into account, that powers vested in UNTAC infringe upon the sovereignty of Cambodia, and that the disarmament process would compel Phnom Penh to lay down its arms with no guarantee Khmer Rouge forces would not then attack with significant combat capability.

By late 1991 the genocide issue appeared to have been resolved, with Hun Sen having dropped his insistence that the Paris Peace Agreement require a reference to the "genocidal practices of the past," settling instead for an expression of general concern over nonrecurrence of recent practices.

Resolution of the issue of sovereignty was also well advanced; as the 12-member SNC office in Phnom Penh began to function on a regular basis, U.S. and other Western diplomats accredited to the SNC began work. In March 1992 UNTAC was officially established, and by mid-year was well on the way to meeting its goal of 22,000 personnel in country. Phnom Penh concurred in the UNTAC role, limited to supervising only "those functions and activities of the existing administrative structure which could directly influence the holding of free and fair elections in a neutral political environment" (defined as the ministries responsible for foreign affairs, defense, finance, public security and information). Phnom Penh also agreed to the holding of elections under a system of proportional representation by province and a U.N. monitoring force far more substantial than Hun Sen had desired. This flexibility on these two issues, whether interpreted as a product of Vietnamese pressure, acquiescence or simply no influence at all, supports the view that Vietnam is currently not stonewalling the peace process in Cambodia.

The demobilization issue, however, appears more intractable. The Paris Peace Agreement calls for a 70 percent demobilization of each faction's military forces, with 30 percent reporting to cantonment areas under U.N. supervision. However, there is no agreement on the size of forces involved, and a great deal of warranted suspicion that Khmer Rouge elements will merely move into a classic passive guerilla posture, awaiting the opportunity to strike again. Already both Hanoi and Phnom Penh have condemned flagrant Khmer Rouge violations of the cease-fire, and Hanoi is particularly nervous precisely because it was Vietnamese cadres who trained the Khmer Rouge cadre in the methods of guerrilla warfare at Hoa Binh in North Vietnam a generation ago. That training included political warfare in which the caching of arms, recruitment of villagers and the sabotaging of government programs and influence were staples.

Perhaps an even greater worry for Hanoi is its perceived loss of control. Vietnam paid a severe price for its occupation of Cambodia and had planned to leave in place the friendly regime which it installed in 1979. By withdrawing its forces and tolerating elections Hanoi risks permitting the Khmer Rouge to gain a foothold in Phnom Penh, while denying itself the option of future intervention if needed. Party leaders also risk offending a military hierarchy already concerned about severe force cuts, as well as the few hard-liners who still harbor an eschatological vision of hegemony in Indochina. Moreover, the political implications of a next door neighbor ruled by an elected government could be most unsettling. In spite of all these fears, however, Hanoi's acquiescence in a rapidly unfolding peace regime provides the clearest measure of the degree of political risk it is prepared to take to normalize relations with the United States.

The administration seeks to take advantage of Vietnam's needs by linking progress on normalization to full implementation of the Paris Peace Agreement. This is a serious mistake because it provides the Khmer Rouge veto power over not only the peace process, but U.S. relations with Vietnam as well. If one were to accept the Khmer Rouge declaration that is supports the U.N. peace process and is prepared to cooperate in turning in its arms and moving to cantonment areas as prescribed, then there should be no need for Vietnam to interfere in the process and no need to postpone normalization on that account. If, on the other hand, the Khmer Rouge seeks to circumvent the agreement by political and military action, as seems likely from recent indications then the Phnom Penh government will be forced to respond with military action of its own and Vietnam will be tempted to assist as needed. Such was the case in early 1991, when

Khmer Rouge forces forcefully attacked district towns in Battambang province, and select Vietnamese combat units, advisors, intelligence and logistic personnel, estimated to total several thousand, came to the aid of the beleaguered government forces. Such action, done in the absence of normalization, and without U.S. foreknowledge or consent, further aggravated U.S. relations with Vietnam.

Were the United States to normalize relations with Vietnam, however, Khmer Rouge tactics to take advantage of the peace process would suffer in several ways. First, normalization would dramatically increase the international presence in the area. Investors, traders, government representatives, tourists and media attracted by the changed conditions would invariably tend to focus greater international attention on any continued Khmer Rouge truce violations. Second, the economic development bound to accompany an open trading system involving Vietnam and Cambodia would, in the normal course of infrastructure building, improve the livelihood of the average Cambodian who might otherwise be attracted to Khmer Rouge promises. Third, it would serve notice to Khmer Rouge leaders that the wave of the future is in cooperation and development, not in refighting the wars of the past. Finally, it could facilitate bilateral cooperation in the event of flagrant Khmer Rouge violations, thereby serving as a powerful deterrent to subversion of the peace accords by the authors of the Cambodian holocaust. U.S. policy toward Cambodia is based on the twin goals of independence and freedom. Normalization with Vietnam will facilitate attainment of both goals, while simultaneously serving other American interests in Southeast Asia.

POW/MIA

No issue surrounding normalization of relations with Vietnam has captured the imagination of the American people as much as that of missing Americans. Popular movies depicting tortured American servicemen in rat-infested cages, pictures purporting to show live American POWs, the POW/MIA flag as a symbol of patriotism, and Hanoi's political use of the issue both during and after the war, have all pushed the subject to the top of the American agenda with Vietnam. Official government statements saying the pace and scope of normalization will be directly affected by Vietnamese cooperation on the issue really understate its importance, for many Americans believe the MIA/POW issue is the litmus test of the nation's keeping faith with servicemen it sent on a lost crusade.

There are 2,268 Americans who did not return from the war in Vietnam. Because of extraordinary efforts made to account for them, this total is less than 4 percent of those who died in combat, compared to 22 percent in both the Second World War and Korea. Like Korea, the United States did not have access to some of the areas in which many of these men were lost, but in areas of Laos, Cambodia, South Vietnam and to a more limited extent, North Vietnam, unparalleled efforts were made to rescue and account for missing Americans. A massive search-air-rescue effort supported the airmen, who constitute some 80 percent of the missing men. Throughout Indochina more than half of downed airmen were rescued by search-air-rescue operations, often at great risk to the rescuing force. A total of 119 missions to rescue known or suspected American POWs were also reported during the war, including the famous 1970 raid on the Son Tay prison camp in North Vietnam. In addition, American units routinely sought out possible POWs in their operating areas. In 1966, for example, the author helped pursue a captured American advisor, but was successful only in over-running a Viet Cong jungle headquarters where liberated Montagnards described the prisoner as having been led from the camp two months previously, still alive but next to death from malaria and malnutrition. Intelligence collection and analysis was top priority throughout the war. To cite but one example, Intelligence Collection Requirements concerning possible American POWs were promulgated to interrogation centers through which passed some 45,000 captured Viet Cong and North Vietnamese and 226,000 Hoi Chanh ("ralliers" to the Republic of Vietnam). Prepared and updated by the Defense Intelligence Agency, the Intelligence Collection Requirements listed detailed questions to be asked of all sources concerning possible sightings of live American prisoners. Information gathered was thoroughly evaluated, correlated with known information, and used as a basis for determining the status of missing Americans.

The wartime intelligence effort continued after the Paris Peace Agreement. During Operation Homecoming in 1973 nearly 600 American civilians and military personnel returned to the United States. Debriefings of these men revealed a remarkable POW system of memorizing names and information on other Americans, but no hard evidence on prisoners still being held. Then, as hundreds of thousands of Indo-Chinese refugees began arriving at "first asylum" camps in Southeast Asia, announcements were made for them to report any information on captive Americans. Since that time a total of 1,574 live sightings have been reported and examined by the Defense Intelligence Agency. Of this total 69 percent pertained to Americans already accounted for, 25 percent were determined to be fabrications and only 6 percent were unable to be resolved, half of which pertained to reports of Americans in a non-captive environment. The Defense Intelligence Agency states that it will continue to investigate live sighting reports based on the assumption that at least some Americans are held captive, but that as a result of its many years of effort it cannot prove that any Americans have been held prisoner since 1973.

With respect to accounting for missing servicemen, it is significant that some 1,097, or nearly half, are listed as "Killed-in-Action/Body-Not-Recovered," which means they were identified as having been killed in action by their respective services, but due to the circumstances of their loss, it was impossible to recover their remains, even with 500,000 troops in country. Most other MIAs were lost under circumstances which make an accounting extremely difficult. Over half the MIA crash sites are in unknown locations. Hundreds were lost at sea; some were carried away by strong river currents or crashed in triple-canopy jungle. In one case, for example, a Delta Force helicopter crashed in a "known location" amidst triple-canopy jungle after inserting a team at dusk. Nighttime aerial search, in which one very fine young lieutenant gave his life, was followed by extensive ground and air searches, all to no avail. Years later a reconnaissance team accidently stumbled upon the downed helicopter and the remains of four Americans, all in an area where visibility is limited to but a few feet. Despite interruptions, the fact that from 1973 to 1975 the American Joint Casualty Resolution Center launched widespread searches of known crash sites in South Vietnam and was able to recover the remains of but 24 servicemen, further highlights the difficulty. One can only add, as did General Norman Schwartzkopf in the aftermath of Desert Storm, that "in the history of warfare there has never been a successful counting of the dead."

There is little doubt, however, that Hanoi has additional remains and information which it can provide. Forensic evidence shows that numerous American remains returned in recent years have been "off the shelf" or from the warehouse which a Vietnamese mortician reported in 1979. Sixty-two discrepancy cases remain to be resolved from the original list presented to Hanoi by General John Vessey, the President's Representative for POW/MIA Affairs, including some previously listed by the Vietnamese as having died in captivity. Vietnam should also have information on other missing Americans. The United States hopes that the establishment of a POW/MIA office in Hanoi, together with accelerated in-country investigations, including spot searches, will lead to a more expeditious accounting of the MIAs, but neither the families of missing Americans nor the American people should be too sanguine about the prospects. These men have now been missing an average of 25 years and, as the aforementioned facts indicate, Vietnam may have far fewer remains than commonly believed, and may well be husbanding them as a sweetener for a time when trade and normalization are in the offing.

AMERICAN BUSINESS

American firms are missing major opportunities in Vietnam while competitor nation companies have positioned them-selves for substantial and long-term gains in what they view as one of the last untapped high growth areas in the Pacific. Policymakers in Washington have been heard to say this does not make much difference, because Vietnam is lacking in foreign exchange and its disposable income for domestic spending is negligible. Perhaps the Japanese, Koreans, Taiwanese, French and others are missing something; but their current and planned trade and investment in Vietnam indicate otherwise.

American firms are currently proscribed from doing business with Vietnam by the Trading With the Enemy Act. Originally imposed on commerce with North Vietnam in 1964 and South Vietnam in 1975, the embargo is now extended on an annual basis at the discretion of the president. It not only blocks U.S. trade, but impedes that of America's major trading partners, whose governments until recently have generally cooperated with the policy, to include the exclusion of Vietnam from International Monetary Fund and World Bank guarantees and credits. Even had there been no embargo, however, it is doubtful that much business would have been transacted in the decade after 1975, for during that period Hanoi sought to transform the primitive agricultural economy of Vietnam into a modern socialist one "without passing through the stage of capitalism." The notorious X2 campaign to obliterate the last vestiges of capitalism in the South was placed under the leadership of Do Muoi, the current General Secretary of the Communist Party of Viet-nam, who was well known for his admonition, "Capitalists are like sewer rats; whenever one sees them popping up one must smash them to death."

A dozen years later with unemployment well over 20 percent, inflation in triple dig-

its, malnutrition widespread, poverty, ubiquitous, starvation not unknown, and the population apathetic, Hanoi began taking a different approach to capitalists both at home and abroad. Like China, it began on the agricultural front, recognizing the family as the basic unit of production and allowing individual profit. It also guaranteed land tenure on an extended and renewable basis, providing incentive for investment in the land. Going beyond the Chinese model, however, Vietnam eliminated quotas and introduced real price reform so that the individual farmer can now expect to be paid close to the fair market price for whatever he produces. The result has been a significant increase in agricultural production, with rice approaching self-sufficiency in the Red River Delta for the first time in decades, and an annual export volume of close to a million tons from the Mekong Delta. Vietnamese entrepreneurs have been given wide latitude in the industrial sector as well, and owing to their lack of capital and backward technological condition, have increasingly looked to Western business as their best hope.

Thus Hanoi began inviting firms from all around the world to trade with and invest in Vietnam. The results to date have been modest, but not discouraging considering national economic conditions. Since promulgating its 1988 Foreign Investment Law, which offers up to 100 percent foreign ownership of joint ventures, low tax rates, guarantees against expropriation and numerous other incentives, Hanoi has reported approval of more than $3 billion in foreign investments, of which more than a third have resulted in firm contracts. France is the largest foreign investor and is leading an effort to provide bridge loans to extricate Vietnam from arrearages to the IMF and the World Bank. Italy has become a major aid donor, committing $140 million over three years; Australia just initiated a $76 million program of assistance over four years, and Japan is anxious to initiate a far more "substantial" aid program within the year. Taiwan has been particularly active in small business enterprises, with a multitude of investments in fishing, textiles and shipping. Canada recently signed several oil and gas exploration contracts and is planning a $300 million natural gas pipeline in conjunction with Petro Vietnam. Japanese and Dutch firms have done feasibility studies on a $1.2 billion oil refinery, and have indicated their readiness to proceed with the project once the U.S. embargo is lifted.

Although difficult to measure owing to widespread barter and smuggling arrangements, it is now clear that Vietnamese trade with the West has eclipsed that with its former socialist allies. Japan leads the way, with a 1991 two-way trade in excess of $1 billion. More than 2,000 of the 7,000 foreign businessmen visiting Vietnam in 1990 were from Japan, and there are now more than 50 Japanese business offices located in Hanoi and Saigon. With bilateral annual trade approaching $1 billion in 1991, Singapore is a close second, as it rapidly develops its commercial, banking and shipping operations in Vietnam. Former Prime Minister Lee Kuan Yew visited Vietnam in April, while the Thai and Vietnamese prime ministers recently signed a major trade agreement in Bangkok which will more than double their bilateral trade. South Korean trade in 1991 approached $200 million, up from $31 million in 1990, as a South Korean Trade Promotion Office opened a branch in Saigon, with at least eight South Korean companies planning to follow suit. European countries, as well as the European Community, are also well represented.

In view of the trend toward increasing trade and investment in Vietnam, American companies are naturally concerned about missing possible opportunities. Nowhere is this more significant than in the oil and gas industry, which has provided some 60 percent of foreign investment. In 1975 Mobil Oil opened a significant field, known as White Tiger, offshore near Vung Tau, South Vietnam. That field is being exploited by a joint Vietnamese-Russian venture, Vietsovpetrol, which is currently pumping upwards of 112,000 barrels of oil per day. Mobil and other American companies which pioneered energy development in the region are now in the unenviable position of watching as French, British, Soviet, Dutch, Australian and Swedish firms reach agreements on offshore exploration and production, while others, like Mitsubishi Oil Co. of Japan, announce intentions to join the party. Vietnamese oil reserves have been estimated at between 1.5 and 3.0 billion barrels. The rewards for companies in other industries are generally less immediate, owing largely to the lack of capital, infrastructure and technical skills in Vietnam today. Nevertheless, longer-term opportunities in textiles, telecommunications, engineering and construction, agriculture, timber, fishing and handicrafts are considered promising.

Despite its present dearth of capital, Vietnam has the potential to become a major economic force in the region. Unlike China, which appears to many observers to be developing two economies, the entrepreneurial and trading-oriented coastal zone and the backward interior provinces, Vietnam is virtually all within reach of the coast or major rivers leading to the coast. It is located at the hub of one of the most dynamic economic regions in the world, is rich in numerous natural resources, and could become the linchpin for major regional developments such as envisioned in the Mekong Committee Grand Design. It boasts an industrious population, low labor costs and an apparently solid governmental commitment to economic reform. Indeed, as the dwindling state sector of the economy reaches new lows, exacerbated by removal of the Soviet aid lifesupport system, the dissolution of the Council for Mutual Economic Assistance, the return of more than 200,000 workers from Eastern Europe and the demobilization of some 600,000 soldiers, there appears to be no alternative to capitalism, however labeled, mixed or circumscribed.

While American companies will one day decide for themselves whether the costs and risks of doing business in Vietnam are worth the benefits, the U.S. government must decide what effect removal of the embargo would have on Vietnam itself, especially the budding private sector. Simply put, it has been the experience of American business that the exchange of goods and services does not take place without the exchange of ideas—ideas on how to organize the means of production, to train and motivate workers, to source and develop raw materials, to transport and process those materials, to set up efficient production lines, to build physical and human infrastructure, to integrate the entire production and distribution system in an economic way, and to market successfully. Such exchanges take place from top political and business leaders all the way down to the last worker in a factory, office or farm. They are the ingredients of change, for they affect the minds and pocketbooks of those who would be the future political and economic leaders of Vietnam.

HUMANITARIAN NEEDS

In early 1990, fearing the contamination of Vietnam by events unfolding in Eastern Europe, Hanoi embarked on one of its most extensive campaigns of repression since conquering the South 15 years earlier. Designed to intimidate and punish Vietnamese citizens who challenged in any way the absolute political authority of the Communist Party, the campaign featured massive arrests and threats against anyone seeking to give expression to basic freedoms. Included in the crackdown was the forcible suppression in Saigon of demonstrators against the collapse of credit unions, and of veterans protesting government neglect. In August Hanoi issued Party Directive 135, calling for the arrest of "organizations of individuals who incite opposition to the government and advocate political pluralism." Refugees soon reported that block wardens in Saigon had been instructed to increase their surveillance. Arrests of prominent political, religious and cultural leaders proliferated, highlighted by the arrest of Dr. Nguyen Dan Que, leader of the Movement for Humanism in Vietnam. Dr. Que had erred in publicly calling for democracy and the restoration of traditional Vietnamese human values. During the summer some 5,000 members of the Cao Dai sect in Tay Ninh province were arrested, and dozens of Catholic priests and Protestant ministers were sent to "re-education camps" where hard labor and indoctrination awaited them. By the end of the year an estimated 30,000 people had been arrested. The campaign ebbed in 1991, but the forcible resettlement of untrustworthy elements and selective imprisonment of critics of the government, including Dr. Que, continued into 1992.

While the above human rights problems plague those bold enough to express their independent thinking, a far more widespread human rights abuse burdens the nation. The vast majority of the Vietnamese people have suffered, some since "liberation" and some since the day they were born, from a precarious hand-to-mouth existence with little hope of a better life for themselves or their children. By the late 1980s the physical and psychological scars of war, poverty and repression were visible everywhere. Hyperinflation, unemployment, and in a few cases starvation were the order of the day. Basic commodities were scarce or nonexistent and malnutrition widespread, particularly among children. Cynicism and apathy characterized the work force, leading to the disaffection of intellectuals and Party leaders, such as the prominent journalist Colonel Bui Tin, who called for a "humanist, modern and pluralist socialism where every man is not a passive grain of sand but a twinkling star of creative power with its own peculiar quality that makes up the scintillating firmament."

The government recognized at least two causes of this dilemma. First was economic isolation, which it tried to address by the pullout from Cambodia and increased cooperation on MIAs. Normalization with the United States would, it was hoped, rectify at least the exogenous cause of this catastrophe. Second was the failure of implementing socialist doctrine, which it addressed by freeing the private sector, subject to local party controls. Though limited by a lack of capital and technology, a plethora of small enterprises soon began something the central economy could never do, providing productive jobs for many of the one million Vietnamese coming into the labor pool each year, and making available basic commodities, including food, necessary for that most

basic of all human rights, the sustenance of life itself. The plight of the people is still precarious and their economic liberalization still fragile, but the tolerance for free enterprise, whether done from foresight or out of necessity, is having a fundamental positive effect on the quality of life in Vietnam today.

Party leaders are doing all in their power to ensure this economic liberalization does not translate into political liberalization. Like their Chinese counterparts, they recognize that private enterprise and foreign trade are the only way the country can survive, yet they also see in Beijing's policies since Tienanmen a model for continued political control. In so doing they, like the Chinese leaders they emulate, risk becoming increasingly irrelevant to a dramatically changing society, for while implicitly placing faith in the value of the human spirit unshackled for economic ends, they fail to recognize that the same human spirit, rooted in traditional Vietnamese culture, will be rekindled by the self-respect bound to accompany the escape from the vicious cycle of poverty and war which has been the history of their tragic land for more than 50 years.

Each springtime for four years President Bush has justified extension of Most Favored Nation treatment for China, in large part on the basis that its removal would cause extreme hardship for the people of that nation. No parallel to Vietnam was drawn, but a case could be made that the best intention of American policymakers during the long war years was to help the suffering people of Vietnam toward a better life. A case to the contrary, that the U.S. was never really interested in the Vietnamese people and to a large extent lost the war because of that lack of interest, has also been made. Yet whether America has promises to keep or war wounds to heal, it is clear that normalization of relations will stimulate free enterprise to the benefit of a suffering population, and ensure that humanitarian issues form the central element of future relations with Vietnam.

DIPLOMATIC RECOGNITION

American policy choices on Vietnam have never been easy, and the linking of normalization with American interests in Cambodia and MIA accounting does not make this one any easier. The tendency to involve U.S. business and humanitarian interests is likely to complicate the issue even further. Normalization with Vietnam in this context is thus seen as anything but normal, for on its weak limbs hang major problems whose solutions may take many years.

Present policy is based on the supposition that this does not matter, that time is of no urgency because none of the forgoing American interests in Vietnam can be considered strategic in nature, that Vietnam itself is of minimal economic or political importance to the United States, and that Washington therefore maintains major negotiating advantages. The first postwar articulation of this concept was by then Secretary of State Henry Kissinger, who told a Congressional group not to offer Vietnam anything, but to "wait three years and they will come begging to us." That was in 1975. In 1991 a United States senator implicitly reiterated this point, telling Party leader Do Muoi in Hanoi that Vietnam needs the United States more than the other way around. The premier naturally voiced his disagreement, for he too has pride, as did his predecessor, Premier Pham van Dong, who often repeated, "We do not wish to beg the United States."

The rationale for withholding recognition of Vietnam could be justified were it efficacious, but it is not. Washington's presumed leverage on Hanoi and Hanoi's presumed leverage on Phnom Penh are the operational modes of discussion. The fact is that the United States is the only member of the 18 nations having participated in the Paris Conference on Cambodia which does not have diplomatic relations with Vietnam. The heart of the issue is forcing Vietnam to support the American position in Cambodia by withholding trade, diplomatic recognition and IMF/World Bank financing. The position presumes that the politburo in Hanoi will act in accordance with a rational Western economic model and in the best interests of a people with whom it is increasingly out of contact. But the politburo still places a higher priority on perceived security interests, and for that reason has not supported the normalization road map. The efficaciousness of linking Cambodia to Vietnam is further minimized for yet another reason—the Khmer Rouge will never give up the gun. The organization is led by men with a lifetime dedicated to violence and a philosophy imbued with vengeance. That the leopard has not changed its spots is most recently illustrated by several large-scale Khmer Rouge attacks in Battambang and Kompong Thom provinces, and the murder of numerous Vietnamese to stir up nationalist support. Extensive Khmer Rouge storage of weapons and ammunition since the mid-1980s gives added meaning to Nguyen Van Thieu's parting admonition, "Don't listen to what they say, watch what they do." Hanoi today is powerless to tame the beast which it helped create.

By holding normalization hostage to every detail of the Perm Five plan, the administration is also prejudicing other issues. First, an increasing number of Vietnamese refugees in recent years have left their homes because of economic conditions exacerbated by the embargo. Second, the MIA issue will suffer. General John Vessey has performed magnificently in persuading Hanoi to return the remains of some 115 American servicemen since his first mission in October 1987, but if Hanoi senses that normalization and trade are out of sight, it will again withhold information and remains as it has done in the past. Finally, Vietnam will also turn in frustration and bitterness to America's trading partners for its international economic needs, and judging from the cracks in the dike today, the embargo will not hold nearly as long as the protracted disputes in Cambodia. Although American businessmen are certain to be among the losers in this situation, the people of Vietnam will have lost even more, for the politburo can once again conceal its own economic ineptitude by pointing to the embargo as the major cause of national economic deprivation.

Diplomacy has been described as "the art of convincing without the use of force." While recent history is replete with examples of the failure of diplomacy, it must be admitted that it is difficult to convince any government of anything without diplomats. Certainly there is merit in the increasing contacts between American diplomats and those of Vietnam, whether in Hanoi, New York, Bangkok or elsewhere, but these contacts are no substitute for an embassy. They certainly do nothing to attenuate the misperceptions created by innumerable delegations visiting Vietnam for the first time and fostering unreasonable expectations in Hanoi and a cacophony of policy voices in Washington. Nor have they succeeded in convincing Hanoi to provide as full a MIA accounting as possible. A peaceful and just settlement of the war in Cambodia, an accounting for Americans missing from the war, the introduction of American business and ingenuity into Vietnam, and the humane treatment of Vietnamese citizens—these are all American interests which are not to somehow be abandoned upon normalization. Rather, they are the substance of what an embassy can and should be all about.

Vietnam today is at a crisis point both internally and in relation to the world. It desperately needs relations with the United States, but its leaders are too proud to beg for it, and with good reason may fear that normalization with the world's greatest democracy would expedite societal changes which could threaten their own position. For its part, the United States should cease thinking about Vietnam as a war, and being overly concerned with the leadership in Hanoi, a product of that war. The real needs of Vietnam today and tomorrow are economic and social, and are now just beginning to be addressed by the ingenuity of its own people. The issues may not be vital to U.S. interests but they are no less real. By recognizing Vietnam under conditions of humanitarian concern the U.S. government does not commit itself to material support for the regime in Vietnam. Nor does it give up instruments of influence such as Most Favored Nation treatment and multilateral bank lending. Rather, it makes possible American private support for private Vietnamese efforts to improve their livelihood freer of coercion from above and deprivation from without. In 1992 it is time to acknowledge that Vietnam is an independent nation whose interests, along with those of the United States, will be best served by diplomatic recognition.

CLOTURE VOTE VITIATED—MOTION TO PROCEED TO H.R. 4312

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the cloture vote on the motion to proceed to the bilingual voting rights bill, now scheduled to occur on tomorrow, Thursday, be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIVE AMERICANS LANGUAGES ACT

Mr. MITCHELL. Mr. President. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 569, S. 2044, relating to native American languages; that the committee substitute amendment be adopted; that the bill be deemed read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to this item be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 2044), as amended, was deemed read three times and passed, as follows:

SECTION 1. SHORT TITLE.

This Act, other than section 3, may be cited as the "Native American Languages Act of 1992".

SEC. 2. GRANT PROGRAM.

The Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.) is amended by adding after section 803A the following new section:

"SEC. 803B. GRANT PROGRAM TO ASSURE THE SURVIVAL AND CONTINUING VITALITY OF NATIVE AMERICAN LANGUAGES.

"(a) IN GENERAL.—The Secretary shall award grants to any organization that is—

"(1) eligible for financial assistance under section 803(a); and

"(2) selected pursuant to subsection (c) of this section;

for the purposes of assisting Native Americans in assuring the survival and continuing vitality of their languages.

"(b) IN PARTICULAR.—The specific purposes for which grants awarded under subsection (a) may be used include, but are not limited to—

"(1) The establishment and support of community language programs to bring older and younger Native Americans together to facilitate and encourage the transfer of language skills from one generation to another;

"(2) the establishment of programs to train Native Americans to teach native languages to others or to enable them to serve as interpreters or translators;

"(3) the development, printing, and dissemination of materials to be used for the teaching and enhancement of Native American languages;

"(4) the establishment or support of programs to train Native Americans to produce or participate in television or radio programs to be broadcast in their native languages;

"(5) the compilation, transcription, and analysis of oral testimony to record and preserve Native American languages;

"(6) the purchase of equipment (including audio and video recording equipment, computers, and software) required for the conducting of language programs; and

"(7) if no suitable facility is available, conversion of an existing facility for use in a language program.

"(c) APPLICATIONS.—Grants shall be awarded on the basis of applications that are submitted by any of the entities described in subsection (a) to the Secretary in such form as the Secretary shall prescribe, but the applications shall, at a minimum, include—

"(1) a detailed description of the current status of the language to be addressed, including a description of any existing programs in support of that language;

"(2) a detailed description of the project for which a grant is sought;

"(3) a statement of objectives that are consonant with the purposes of this section; and

"(4) a plan to preserve the products of the language program for the benefit of future generations and other interested persons.

"(d) COLLABORATING ORGANIZATIONS.—

"(1) IN GENERAL.—If a tribal government or other eligible applicant determines that the objectives of its proposed Native American language program would be accomplished more effectively through a partnership with a school, college or university, the applicant may designate such an institution as a collaborating organization.

"(2) BENEFITS.—As a collaborating organization, an institution may become a co-beneficiary of a grant under this Act.

"(3) MATCHING REQUIREMENTS.—Matching requirements may be met by either, or both, the applicant and its collaborating institution.

"(e) LIMITATIONS ON FUNDING.—

"(1) SHARE.—Notwithstanding any other provision of this Act, a grant under this section shall cover not more than 90 percent of the cost of the program that is assisted by the grant. The remaining 10 percent contribution—

"(A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services; and

"(B) may originate from any source (including any Federal agency) other than a program, contract, or grant authorized under this Act.

"(2) DURATION.—A grant under this section may be for up to 3 years.

"(f) ADMINISTRATION.—The Secretary shall administer grants under this section through the Administration for Native Americans.".

SEC. 3. NATIVE AMERICANS EDUCATIONAL ASSISTANCE ACT.

(a) SHORT TITLE.—This section may be cited as the "Native Americans Educational Assistance Act".

(b) AGREEMENT TO CARRY OUT DEMONSTRATION PROJECT.—The Secretary of the Interior is authorized to enter into an agreement with the National Captioning Institute, Inc., for the purpose of carrying out a demonstration project to determine the effectiveness of captioned educational materials as an educational tool in schools operated by the Bureau of Indian Affairs.

(c) REPORT.—Prior to the expiration of the 12-month period following the date of the agreement entered into pursuant to subsection (b), the Secretary of the Interior shall report to the Congress the results of the demonstration project carried out pursuant to such agreement, together with his recommendations.

(d) AUTHORIZATION.—There are authorized to be appropriated such amounts as may be necessary to carry out this section.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 816 of the Native American Programs Act of 1974 (42 U.S.C. 2992d) is amended—

(1) by striking out "sections 803(d) and 803A" each place it appears and inserting in lieu thereof "sections 803(d), 803A, and 803B"; and

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

"(e) There are authorized to be appropriated to carry out the purposes of section 803B, $5,000,000 for fiscal year 1993, and such sums as are necessary for fiscal years 1994, 1995, 1996, and 1997.".

BILL PLACED ON CALENDAR—H.R. 5481

Mr. MITCHELL. Mr. President, I ask unanimous consent that H.R. 5481, the FAA Civil Penalty Administration Assessment Act of 1992, just received from the House, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Appropriations.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:55 p.m., a message from the House of Representatives, delivered by Mr. Jenkins, one of its reading clerks, announced that the House insists upon its amendment to the bill (S. 5) to grant employees family and temporary medical leave under certain circumstances, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Education and Labor, for consideration of titles I, III, and IV (except section 404) of the Senate bill, and titles I, III, and IV of the House amendment, and modifications committed to conference: Mr. FORD of Michigan, Mr. CLAY, Mr. MILLER of California, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS of New York, Mr. HAYES of Illinois, Mr. SAWYER, Mr. PAYNE of New Jersey, Mrs. UNSOELD, Mr. WASHINGTON, Mr. SERRANO, Mrs. MINK, Mr. OLVER, Mr. PASTOR, Mr. GOODLING, Mr. PETRI, Mrs. ROUKEMA, Mr. ARMEY, Mr. FAWELL, Mr. BALLENGER, Mr. BARRETT, Mr. BOEHNER, and Mr. EDWARDS of Oklahoma.

From the Committee on Post Office and Civil Service, for consideration of title II of the Senate bill, and title II of the House amendment, and modifications committed to conference: Mr. CLAY, Mrs. SCHROEDER, Ms. OAKAR, Mr. SIKORSKI, Mr. ACKERMAN, Mr. GILMAN, Mr. MYERS of Indiana, and Mrs. MORELLA.

From the Committee on House Administration, for consideration of section 404 of the Senate bill, and title V of the House amendment, and modifications committed to conference: Mr. CLAY, Ms. OAKAR, Mr. GEJDENSON, Mr. THOMAS of California, and Mr. ROBERTS.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 2977) to authorize appropriations for public broadcasting, and for other purposes.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 994. An act to authorize assistance for civil strife, relief, rehabilitation, and reconstruction in Liberia; and

H.R. 3157. An act to provide for the settlement of certain claims under the Alaska Native Claims Settlement Act, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 348. A concurrent resolution to commend the people of the Philippines for successfully conducting peaceful general elections and to congratulate Fidel Ramos for his election to the Presidency of the Philippines.

At 5:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 1671) to

withdraw certain public lands and to otherwise provide for the operation of the Waste Isolation Plant in Eddy County, NM, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Interior and Insular Affairs, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Mr. MILLER of California, Mr. VENTO, Mr. KOSTMAYER, Mr. RICHARDSON, Mr. LAROCCO, Mr. YOUNG of Alaska, Mr. RHODES, and Mr. HEFLEY.

From the Committee on Energy and Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Mr. DINGELL, Mr. SHARP, Mr. SYNAR, Mr. SWIFT, Mr. BRUCE, Mr. LENT, Mr. MOORHEAD, and Mr. DANNEMEYER.

Except that, solely for consideration of section 9 (a) and (c) of the Senate bill, and section 14 (a) and (b) of the House amendment, Mr. SCHAEFER is appointed in lieu of Mr. DANNEMEYER.

From the Committee on Armed Services, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Mr. ASPIN, Mr. SPRATT, Mr. SISISKY, Mrs. SCHROEDER, Mrs. LLOYD, Mr. DICKINSON, Mr. SPENCE, and Mr. KYL.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 5487) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1993, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. TRAXLER, Mr. MCHUGH, Mr. NATCHER, Mr. DURBIN, Ms. KAPTUR, Mr. PRICE, Mr. MRAZEK, Mr. SMITH of Iowa, Mr. SKEEN, Mr. MYERS of Indiana, Mr. WEBER, MRS. VUCANOVICH, and Mr. MCDADE as managers of the conference on the part of the House.

The message further announced that the House has passed the following bills, each with an amendment, in which it requests the concurrence of the Senator:

S. 1145. An act to amend the Ethics in Government Act of 1978 to remove the limitation on the authorization of appropriations for the Office of Government Ethics; and

S. 1170. An act to convey certain surplus real property located in the Black Hills National Forest to the Black Hills Workshop and Training Center, and for other purposes.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1206. An act to confer jurisdiction on the United States Claims Court with respect to land claims of the Pueblo and Isleta Indian Tribe;

H.R. 1219. An act to designate wilderness, acquire certain valuable inholdings within National Wildlife Refuges and National Park System Units, and for other purposes;

H.R. 2675. An act to amend title 5, United States Code, to provide for the granting of leave to Federal employees wishing to serve as bone-marrow or organ donors, and to allow Federal employees to use sick leave for purposes relating to the adoption of a child;

H.R. 2782. An act to amend the Employee Retirement Income Security Act of 1974 to provide that such act does not preempt certain State laws;

H.R. 3236. An act to improve treatment for veterans exposed to radiation while in military service;

H.R. 3795. An act to amend title 28, United States Code, to establish 3 divisions in the Central Judicial District of California;

H.R. 4310. An act to reauthorize and improve the National Marine Sanctuaries program, and for other purposes;

H.R. 4539. An act to designate the general mail facility of the United States Postal Service in Gulfport, Mississippi, as the "Larkin I. Smith General Mail Facility", and the building of the United States Postal Service in Poplarville, Mississippi, as the "Larkin I. Smith Post Office Building";

H.R. 5397. An act to amend title 46, United States Code, to prohibit abandonment of barges, and for other purposes;

H.R. 5399. An act to amend the United States Commission on Civil Rights Act of 1983 to provide an authorization of appropriations;

H.R. 5453. An act to designate the Central Square facility of the United States Postal Service in Cambridge, Massachusetts, as the "Clifton Merriman Post Office Building";

H.R. 5479. An act to designate the facility of the United States Postal Service located at 1100 Wythe Street in Alexandria, Virginia, as the "Helen Day United States Post Office Building";

H.R. 5481. An act to amend the Federal Aviation Act of 1958 relating to administrative assessment of civil penalties;

H.R. 5491. An act to designate the Department of Veterans Affairs medical center in Marlin, Texas, as the "Thomas T. Connally Department of Veterans Affairs Medical Center";

H.R. 5630. An act to amend the Head Start Act to expand services provided by Head Start programs; to expand the authority of the Secretary of Health and Human Services to reduce the amount of matching funds required to be provided by particular Head Start agencies; to authorize the purchase of Head Start facilities; and for other purposes;

H.R. 5641. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of certain nonprofit organizations providing health benefits, and for other purposes;

H.R. 5642. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of certain property and casualty insurance companies under the minimum tax, and for other purposes;

H.R. 5643. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by operators of licensed cotton warehouses;

H.R. 5644. An act to provide that certain costs of private foundations in removing hazardous substances shall be treated as qualifying distributions;

H.R. 5647. An act to provide that the special estate tax valuation recapture provisions shall cease to apply after 1992 in the case of property acquired from decedents dying before January 1, 1992;

H.R. 5648. An act to amend the Internal Revenue Code of 1986 to revise the application of the wagering taxes to charitable organizations;

H.R. 5650. An act to amend the Internal Revenue Code of 1986 to allow non-exempt farmer cooperatives to elect patronage-sourced treatment for certain gains and losses, and for other purposes;

H.R. 5652. An act to amend the Internal Revenue Code of 1986 to extend the period for the rollover of gain on the sale of a principal residence for the period the taxpayer has substantial frozen deposits in a financial institution;

H.R. 5655. An act to amend the Internal Revenue Code of 1986 to restore the prior law treatment of corporate reorganizations through the exchange of debt instruments, and for other purposes;

H.R. 5656. An act to amend the Internal Revenue Code of 1986 to exempt services performed by full-time students for seasonal children's camps from Social Security taxes, and for other purposes;

H.R. 5657. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of deposits under certain perpetual insurance policies;

H.R. 5658. An act relating to the tax treatment of certain distributions made by Alaska Native Corporations;

H.R. 5659. An act to permit the simultaneous reduction of interest rates in certain port authority bonds;

H.R. 5660. An act to amend the Internal Revenue Code of 1986 to provide that the conducting of certain games of chance shall not be treated as an unrelated trade or business, and for other purposes;

H.R. 5661. An act to amend the Internal Revenue Code of 1986 to exempt transportation on certain ferries from the excise tax on transportation of passengers by water;

H.R. 5674. An act to clarify the tax treatment of intermodal containers, to revise the tax treatment of small property and casualty insurance companies, and for other purposes;

H.R. 5686. An act to make technical amendments to certain Federal Indian statutes; and

H.J. Res. 507. Joint resolution to approve the extension of nondiscriminatory treatment with respect to the products of the Republic of Albania.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 994. An act to authorize assistance for civil strife, relief, rehabilitation, and reconstruction in Liberia; to the Committee on Foreign Relations.

H.R. 1206. An act to confer jurisdiction on the United States Claims Court with respect to land claims of the Pueblo of Isleta Indian Tribe; to the Committee on the Judiciary.

H.R. 1219. An act to designate wilderness, acquire certain valuable inholdings within National Wildlife Refuges and National Park System Units, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2675. An act to amend title 5, United States Code, to provide for the granting of leave to Federal employees wishing to serve as bone-marrow or organ donors, and to

allow Federal employees to use sick leave for purposes relating to the adoption of a child; to the Committee on Governmental Affairs.

H.R. 3236. An act to improve treatment for veterans exposed to radiation while in military service; to the Committee on Veterans' Affairs.

H.R. 4310. An act to reauthorize and improve the National Marine Sanctuaries program, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 4539. An act to designate the general mail facility of the United States Postal Service in Gulfport, Mississippi, as the "Larkin I. Smith General Mail Facility," and the building of the United States Postal Service in Poplarville, Mississippi, as the "Larkin I. Smith Post Office Building"; to the Committee on Governmental Affairs.

H.R. 5397. An act to amend title 46, United States Code, to prohibit abandonment of barges, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 5399. An act to amend the United States Commission on Civil Rights Act of 1983 to provide an authorization of appropriations; to the Committee on the Judiciary.

H.R. 5453. An act to designate the Central Square facility of the United States Postal Service in Cambridge, Massachusetts, as the "Clifton Merriman Post Office Building"; to the Committee on Governmental Affairs.

H.R. 5479. An act to designate the facility of the United States Postal Service located at 1100 Wythe Street in Alexandria, Virginia, as the "Helen Day United States Post Office Building"; to the Committee on Governmental Affairs.

H.R. 5491. An act to designate the Department of Veterans Affairs medical center in Marlin, Texas, as the "Thomas T. Connally Department of Veterans Affairs Medical Center"; to the Committee on Veterans' Affairs.

H.R. 5641. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of certain nonprofit organizations providing health benefits, and for other purposes; to the Committee on Finance.

H.R. 5642. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of certain property and casualty insurance companies under the minimum tax, and for other purposes; to the Committee on Finance.

H.R. 5643. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by operators of licensed cotton warehouses; to the Committee on Finance.

H.R. 5644. An act to provide that certain costs of private foundations in removing hazardous substances shall be treated as qualifying distributions; to the Committee on Finance.

H.R. 5647. An act to provide that the special estate tax valuation recapture provisions shall cease to apply after 1992 in the case of property acquired from decedents dying before January 1, 1982; to the Committee on Finance.

H.R. 5648. An act to amend the Internal Revenue Code of 1986 to revise the application of the wagering taxes to charitable organizations; to the Committee on Finance.

H.R. 5650. An act to amend the Internal Revenue Code of 1986 to allow non-exempt farmer cooperatives to elect patronage-sourced treatment for certain gains and losses, and for other purposes; to the Committee on Finance.

H.R. 5652. An act to amend the Internal Revenue Code of 1986 to extend the period for the rollover of gain on the sale of a principal residence for the period the taxpayer has substantial frozen deposits in a financial institution; to the Committee on Finance.

H.R. 5655. An act to amend the Internal Revenue Code of 1986 to restore the prior law treatment of corporate reorganizations through the exchange of debt instruments, and for other purposes; to the Committee on Finance.

H.R. 5656. An act to amend the Internal Revenue Code of 1986 to exempt services performed by full-time students for seasonal children's camps from social security taxes, and for other purposes; to the Committee on Finance.

H.R. 5657. An act to amend the Internal Revenue Code of 1986 with respect to the treatment of deposits under certain perpetual insurance policies; to the Committee on Finance.

H.R. 5658. An act relating to the tax treatment of certain distributions made by Alaska Native Corporations; to the Committee on Finance.

H.R. 5659. An act to permit the simultaneous reduction of interest rates in certain port authority bonds; to the Committee on Finance.

H.R. 5660. An act to amend the Internal Revenue Code of 1986 to provide that the conducting of certain games of chance shall not be treated as an unrelated trade or business, and for other purposes; to the Committee on Finance.

H.R. 5661. An act to amend the Internal Revenue Code of 1986 to exempt transportation on certain ferries from the excise tax on transportation of passengers by water; to the Committee on Finance.

H.R. 5674. An act to clarify the tax treatment of intermodal containers, to revise the tax treatment of small property and casualty insurance companies, and for other purposes; to the Committee on Finance.

H.R. 5686. An act to make technical amendments to certain Federal Indian statutes; to the Select Committee on Indian Affairs.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 348. A concurrent resolution to commend the people of the Philippines for successfully conducting peaceful general elections and to congratulate Fidel Ramos for his election to the Presidency of the Philippines; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3157. An act to provide for the settlement of certain claims under the Alaska Native Claims Settlement Act, and for other purposes.

H.R. 5481. An act to amend the Federal Aviation Act of 1958 relating to administrative assessment of civil penalties.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 5, 1992, he had presented to the President of the United States the following enrolled bills:

S. 959. An act to establish a commission to commemorate the 250th anniversary of the birth of Thomas Jefferson; and

S. 2759. An act to amend the National School Lunch Act and the Child Nutrition Act of 1966 to improve certain nutrition programs, to improve the nutritional health of children, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3713. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on the 1992 Joint Military Net Assessment; to the Committee on Armed Services.

EC-3714. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the status of certain budget authority proposed for rescission; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Select Committee on Indian Affairs, and the Committee on Labor and Human Resources.

EC-3715. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on the obligation of appropriations in excess of approved apportionment; to the Committee on Appropriations.

EC-3716. A communication from the Acting General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 37, United States Code, to authorize credit for certain periods of active service performed concurrently as a member of the Senior Reserve Officers' Training Corps; to the Committee on Armed Services.

EC-3717. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the waiver of certain provisions of the Trade Act with respect to a transaction with Albania; to the Committee on Banking, Housing, and Urban Affairs.

EC-3718. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-3719. A communication from the Secretary of Transportation, transmitting, pursuant to law, the final report on the results of the study on long-term airport capacity needs; to the Committee on Commerce, Science, and Transportation.

EC-3720. A communication from the Acting Assistant General Counsel of the Department of Energy, transmitting, pursuant to law, notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3721. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3722. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3723. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3724. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3725. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3726. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute:

S. 2512. A bill to amend title 38, United States Code, to establish a program to provide certain housing assistance to homeless veterans, to improve certain other programs that provide such assistance, and for other purposes (Rept. No. 102–361).

By Mr. BENTSEN, from the Committee on Finance, without recommendation with an amendment in the nature of a substitute:

H.R. 5318. A bill regarding the extension of most-favored-nation treatment to the products of the People's Republic of China, and for other purposes.

Mr. BENTSEN. Mr. President, today the Finance Committee reported H.R. 5318, the United States-China Act of 1992, without recommendation and with an amendment to substitute the text of S. 2808, as amended by the Finance Committee, for the text of the House bill. For the information of the Senate, I ask that a section-by-section summary of the bill, as reported by the Finance Committee, and a letter from the Congressional Budget Office stating that the bill would have no budgetary effect be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION SUMMARY OF THE "UNITED STATES-CHINA ACT" (H.R. 5318, AS REPORTED BY THE SENATE COMMITTEE ON FINANCE), TUESDAY, AUGUST 4, 1992

SECTION 1. SHORT TITLE

Section 1 of the bill states the short title of the bill, the "United States-China Act of 1992."

SECTION 2. FINDINGS AND POLICY

Section 2 sets forth certain findings relating to the demonstrations of the Chinese people in pursuit of democratic freedoms, and the actions and policies of the Government of China, that are the reasons for this bill. The findings note that the Government of China continues to violate internationally recognized human rights and deny citizens supporting the pro-democracy movement the right of free emigration. The findings also note that China continues to engage in unfair trade practices and that there are continuing reports of Chinese transfers of missile technology to the Mideast, Africa, and Asia.

Section 2 states that it is the sense of the Congress that the President should take such actions as necessary to achieve the purposes of this bill and that the sanctions being applied against China should be continued and strictly enforced. It also states the sense of the Congress that the President should direct the Secretary of Commerce to consult with members of the U.S. business community operating or investing in China to encourage them to adopt a code of conduct following basic principles of human rights.

SECTION 3. STANDARDS FOR RENEWAL OF MOST-FAVORED-NATION (MFN) STATUS

The President's authority to waive the freedom-of-emigration requirements of section 402 of the Trade Act of 1974 with respect to China, thereby granting China MFN status must be renewed annually through the procedures set forth under section 402(d). Section 402(d) requires the President to submit to Congress, no later than 30 days prior to the expiration of the waiver authority, a document setting forth his reasons for recommending the extension of such authority.

Section 3 of this bill provides that the President may not recommend the continuation of a waiver for China for the 12-month period beginning July 3, 1993, unless the President reports in the document required under section 402(d) that the Government of China has met certain conditions. The President must report that the Government of China (1) has taken appropriate actions to begin adhering to the provisions of the Universal Declaration of Human Rights in China and Tibet, and is fulfilling the commitments made to the Secretary of State in November 1991; (2) has provided an acceptable accounting of citizens detained as a result of the non-violent expression of their political beliefs, and released citizens so detained, to credibly demonstrate a good faith effort to release all those arrested in connection with the June 1989 events in Tiananmen Square; and (3) has taken action to prevent exports of products made by prison labor to the United States.

The bill also requires that the President report that China has made overall significant progress in ceasing religious persecution, unfair trade practices, and adhering to international guidelines on weapons proliferation. The President may not find the latter condition to have been met if China has transferred M–9 or M–11 ballistic missiles or missile launchers to Syria, Pakistan, or Iran, or material for the manufacture of a nuclear explosive device to another country, if such transfer was to be used for the manufacture of such a weapon.

SECTION 4. REPORT BY THE PRESIDENT

Section 4 requires that, if the President recommends in 1993 that the freedom-of-emigration waiver be extended for China, any report regarding that waiver state the extent to which China has complied with the provisions of section 3.

SECTION 5. MFN TREATMENT FOR NONSTATE-OWNED ENTERPRISES

Section 5 provides that, if the President fails to request a waiver because the standards of this bill are not met or if the Congress enacts a resolution disapproving the President's decision to extend China's MFN status, MFN treatment would continue to apply for goods produced or manufactured by a business, corporation, partnership, qualified foreign joint venture, or other person that is not a state-owned enterprise. If such goods are marketed or otherwise exported by a state-owned enterprise of China, however, they would not qualify for MFN treatment.

Section 5 provides that the Secretary of the Treasury shall determine which companies are state-owned enterprises for the purposes of this bill and compile and maintain a list of such companies. For the purpose of making such determinations, the bill provides definitions of the terms "state-owned enterprises," "foreign joint venture," and "qualified foreign joint venture." The bill further provides that any person may petition the Secretary of the Treasury to review the status of a company and its exclusion or inclusion on the state-owned enterprise list.

SECTION 6. SANCTIONS BY OTHER COUNTRIES

Section 6 provides that, if the President decides not to seek a continuation of the waiver in 1993, he shall undertake efforts to ensure that members of the General Agreement on Tariffs and Trade take similar action.

SECTION 7. DEFINITIONS

Section 7 defines certain terms used in the bill.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 4, 1992

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 2808, the United States-China Act of 1992, as amended and ordered on August 4, 1992, by the Senate Committee on Finance. CBO estimates that the bill would have no budgetary effect over the 1992 through 1997 period.

Under the Trade Act of 1974, most-favored-nation (MFN) status may not be conferred on a country with a nonmarket economy if that country maintains restrictive emigration policies. Because of this stipulation, the People's Republic of China does not currently qualify for MFN status. Under present law, however, the President may waive this prohibition on an annual basis if he certifies that granting MFN status would promote freedom of emigration in that country. The People's Republic of China has been granted MFN status on the annual basis beginning in 1980.

S. 2808 would deny the President the authority to recommend continuation of a waiver in 1993 for imported products of state-owned companies unless he reports that the government of China has met specific conditions. The conditions include: adhering to

the provisions of the Universal Declaration of Human Rights in China and Tibet; providing an accounting of the citizens detained, accused, or sentenced as part of the repression of dissent in Tiananmen Square on June 3, 1989; preventing the export of products made by convict, forced, or indentured labor; and making significant progress in ending religious persecution, ceasing unfair trade practices, and controlling weapons proliferation. If the President reports to Congress that he cannot issue the waiver because of China's failure to meet the conditions of the bill or if the President recommends a waiver and Congress passes a joint resolution of disapproval, any goods marketed or exported by a state-owned enterprise would be ineligible for MFN treatment. Goods produced or manufactured by privately-owned enterprises would continue to benefit from MFN treatment. The Department of the Treasury would determine which businesses, corporations, partnerships, companies, and persons would be classified as "state-owned".

The CBO customs duty baseline assumes that China receives MFN status on an annual basis; and, while S. 2808 potentially would affect the ability of the President to extend MFN status, we expect that the President would find that China would comply with the objectives and that he would recommend extension of MFN status in 1993. Therefore, CBO estimates that S. 2808 would have no budgetary impact.

S. 2808 could affect receipts and thus would be subject to pay-as-you-go procedures under Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

PAY-AS-YOU-GO CONSIDERATIONS

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995
Changes in outlays	(1)	(1)	(1)	(1)
Changes in receipts	0	0	0	0

[1] Not applicable.

If you wish further details, please feel free to contact me or your staff may wish to contact John Stell at 226-2720.

Sincerely,

ROBERT D. REISCHAUER,
Director.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Hugo Pomrehn, of California, to be Under Secretary of Energy; and

John J. Easton, Jr., of Vermont, to be an Assistant Secretary of Energy (Domestic and International Energy Policy).

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

John H. Miller, of Connecticut, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1992;

Walter Scott Blackburn, of Indiana, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1993;

Virginia Stanley Douglas, of California, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1993;

C.C. Hope, Jr., of North Carolina, to be a Member of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February 28, 1993; and

James D. Jameson, of California, to be an Assistant Secretary of Commerce.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LEVIN (for himself, Mr. COHEN, and Mr. GLENN):

S. 3131. A bill to reauthorize the independent counsel law for an additional 5 years, and for other purposes; to the Committee on Governmental Affairs.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 3132. A bill to prohibit land known as the Calverton Pine Barrens, located on Department of Defense land in Long Island, New York, from being disposed of in any way that allows it to be commercially developed; to the Committee on Armed Services.

By Mr. HARKIN (for himself, Mr. CONRAD, Mr. INOUYE, Mr. WOFFORD, Mr. CRANSTON, Mr. GRASSLEY, Mr. ROCKEFELLER, and Mr. METZENBAUM):

S. 3133. A bill to prohibit the importation of goods produced abroad with child labor, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. COCHRAN, Mr. PELL, Mr. INOUYE, Mr. SIMON, Mr. WELLSTONE, and Mr. DODD):

S. 3134. A bill to expand the production and distribution of educational and instructional video programming and supporting educational materials for preschool and elementary school children as a tool to improve school readiness, to develop and distribute educational and instructional video programming and support materials for parents, child care providers, and educators of young children, to expand services provided by Head Start programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. AKAKA:

S. 3135. A bill to amend the Farm Credit Act of 1971 and the Consolidated Farm and Rural Development Act to improve rural homeownership and utilities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. AKAKA (for himself, Mr. MITCHELL, and Mr. DOLE):

S. Con. Res. 133. A concurrent resolution concerning Israel's recent elections and the upcoming visit by Israeli Prime Minister Yitzhak Rabin to the United States; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEVIN (for himself, Mr. COHEN, and Mr. GLENN):

S. 3131. A bill to reauthorize the independent counsel law for an additional 5 years, and for other purposes; to the Committee on Governmental Affairs.

INDEPENDENT COUNSEL REAUTHORIZATION ACT OF 1992

Mr. LEVIN. Mr. President, today our colleague, BILL COHEN, and I are introducing legislation to reauthorize the independent counsel law.

Born out of the tragedy of Watergate, this law establishes a carefully crafted and constitutionally proven system for appointing independent counsel to handle criminal investigations of persons close to the President.

The law was first enacted in 1978 as part of the Ethics in Government Act. It has been reauthorized twice, in 1982 and 1987, and now we will, hopefully, reauthorize it again before the current authorization expires in December of this year.

As recent news stories have reminded us, this year is the 20th anniversary of the Watergate break-in, and it provides an appropriate backdrop to remember what happened those 20 years ago and why this law is so important.

In 1972 the public was shocked by allegations of criminal misconduct that went to the highest levels of Government, including the White House itself. The public watched open mouthed as top officials resigned, including White House aides Halderman and Ehrlichman and the Attorney General Richard Kleindienst.

When a new Attorney General Elliot Richardson, was nominated, Congress urged him to appoint what was then called a special prosecutor, to get to the truth. He agreed, and he appointed Archibald Cox.

Mr. Cox served at the pleasure of the Attorney General. He had no independent status or protection from reprisal. Early in his investigation he took the necessary step of issuing a subpoena to the White House to obtain records and tapes.

The White House refused to comply. When Mr. Cox persisted, President Nixon ordered Attorney General Richardson to remove him from office. Attorney General Richardson and his deputy resigned instead, but Solicitor General Robert Bork agreed to carry out the President's order. He fired Mr. Cox.

The resulting decimation of the Justice Department was dubbed by the press as the Saturday Night Massacre. It shook to our very foundations this

country's sense of justice and the rule of law. It was this chaos, this blow to the system of justice and the resulting loss of public confidence in Federal criminal investigations of persons close to the President that gave rise to the independent counsel law. In essence, this law authorized the first truly independent Federal prosecutors our country has had to handle criminal cases involving top Government officials.

The process the law established is straightforward. If the Attorney General receives specific information from a credible source about criminal misconduct by the President, Vice President, their Cabinet officers or top campaign officials, the Attorney General must conduct a preliminary investigation of the facts. If he or she concludes that further investigation is warranted, the Attorney General must ask a special court, part of the U.S. Court of Appeals of the District of Columbia, to select a person to serve as the independent counsel in the case.

No independent counsel may be appointed without a specific request from the Attorney General. The counsel's prosecutorial duties are then set by the court, based upon facts supplied by the Attorney General. An independent counsel must comply with Justice Department policies in conducting the investigation and any prosecution, and must operate under the same court scrutiny that applies to all Federal prosecutors. An independent counsel may also be removed from office at any time by the Attorney General for good cause.

In 1988 the Supreme Court upheld the constitutionality of the independent counsel law in virtually every respect. Writing for the 7 to 1 majority, Chief Justice Rehnquist found that the law had been carefully crafted to pass constitutional muster, and that it did no injury either to the President's law enforcement authority or to the principle of separation of powers. The Court found that this law is a reasonable response to the problem posed when an administration is asked to investigate its own top leaders.

The independent counsel law has not only received the backing of the Supreme Court, it has a history of strong bipartisan support in Congress as well. In 1987, the Senate passed the reauthorization bill by a vote of 85 to 10. The House passed it by a vote of 322 to 87. Despite objection from the Justice Department, President Reagan signed the bill into law. In 1982 and 1978, the law enjoyed similar broad margins of approval.

In 14 years of operation, 11 independent counsels have been appointed to office. Of these 11, 7 closed their cases without indictment; 4 have filed indictments which have led to guilty pleas or guilty verdicts from juries and judges. These convictions include the following:

The conviction of Michael Deaver, former deputy chief of staff to President Reagan, who was convicted by a jury of lying under oath about his lobbying activities after he left the White House.

The conviction of Robert McFarlane, former head of the National Security Council, who pled guilty to lying under oath about his knowledge and actions in the Iran-Contra matter.

The conviction of Elliott Abrams, former Assistant Secretary of State, who pled guilty to concealing information about the Iran-Contra matter.

The conviction of Alan Fiers, former CIA official who also pled guilty to lying about the Iran-Contra matter.

The conviction of Thomas Clines, former CIA official; the conviction of Richard Secord, and the conviction of Albert Hakim.

Those are just some of the convictions, and they do not include convictions which were reversed on appeal.

That partial list of convictions is not a trivial one. It is sobering testimony to the value and necessity of a statute authorizing the appointment of independent counsel.

That list is important, not only for what it says about the presence of criminal conduct, even at the highest levels of Government, but also for what it says about the importance of having a criminal justice system in place which the public will trust to make fair decisions.

In its 14 years of operation, decisions by independent counsels, either to indict or not to indict, have been accepted by the public as free from politics.

For example, when Independent Counsel Jacob Stein declined, in 1984, to indict Edwin Meese on a variety of charges involving conflicts of interest, there were no cries of political whitewashing or favoritism. The public accepted the decision. Had the same decision not to indict been made by Mr. Meese's future subordinates at the Justice Department, I doubt that it would have been met with the same level of public trust.

Today, of the 11 independent counsels that have been appointed under the law, two are in office: Judge Arlin Adams, who is handling the HUD scandal, and Judge Lawrence Walsh, who is handling the Iran-Contra matter. Both investigations have already resulted in a number of indictments, guilty pleas and convictions.

Both cases have also been the subject of criticism, primarily because they have taken so long. The HUD independent counsel has been in office for more than 2 years, while the Iran-Contra investigation has been going for more than 5 years.

While we all wish that the wheels of justice would spin faster, there is no evidence that either independent counsel now in office has taken more time than the Justice Department would have taken if it were handling the cases.

Let me just give a few examples to illustrate this point:

The Justice Department's Ill Wind investigation began in 1987 and continues to this day, more than 5 years later. The sentencing of a key figure in that investigation, Melvyn Paisley, took place just last year. Additional indictments, not to mention years of appeal, are still possible in that investigation which has already taken, again, 5 years.

An older example is the Justice Department's investigation of Abscam, a political corruption case that began in 1978 and concluded in 1983, for a total of, again, about 5 years.

The Justice Department's investigation of Manuel Noriega began in 1987 and obtained his conviction in April 1992. That is a total of 5 years so far with possibly years of appeals ahead.

Another case in point is the Justice Department's investigation of Congressman MCDADE which carried on 4 years before an indictment was filed in May of this year. In contrast, at the 4-year mark in the Iran-Contra matter, Independent Counsel Walsh has already obtained 8 convictions, conducted 3 trials and was in the middle of 3 appeals.

Some of the critics of the Independent Counsel Office do not want to look at cases of the Justice Department which have taken as long or longer than the matters under consideration by the independent counsels. What these critics charge instead is that one of the independent counsels, Judge Walsh, just does not know when to quit. They are tired of Iran-Contra. They argue it is time for him to close up shop. But when he took office, Independent Counsel Walsh did not agree to keep working until he was tired of the case. If that were true, I suspect he would have quit a long time ago.

What Judge Walsh agreed to do was to carry out the mandate given to him by the special court based upon the request, by the way, of President Reagan's own Attorney General. It was, after all, Attorney General Meese who requested the independent counsel to investigate criminal wrongdoing in connection with the Iran-Contra matter.

Lawrence Walsh, the independent counsel, is a former judge, former deputy Attorney General of the United States, president of the American Bar Association, New York prosecutor and a lifelong Republican. He agreed to carry out the direction of the court. Whether he is tired or not, he is doing what he was asked to do and committed himself to do.

Of the 14 indictments he's filed in the case, not one has been found insufficient by a court of law. Seven have resulted in guilty pleas, including admissions of guilt by Elliot Abrams and

Alan Fiers, former senior officials in the State Department and CIA. Three indictments have resulted in guilty verdicts after jury trials, of Oliver North, John Poindexter, and Thomas Clines, former top officials in the White House and CIA, although the North and Poindexter convictions were later overturned on issues related to the use of immunized testimony. By the way, the success of both those appeals is in no way the fault of Judge Walsh. They arose from actions taken by Congress to grant partial immunity to North and Poindexter and force them to testify before the public. Congress took a risk when it granted them this immunity, and the criminal process ended up polluted by that public testimony. Judge Walsh warned the Congress what might happen, and urged us not to do what we did.

The trial of another top CIA official, Clair George, is underway in the courts right now and may be decided soon. Two other trials, of CIA official Duane Clarridge and former Secretary of Defense Caspar Weinberger, are scheduled for later this year.

If Mr. Walsh was violating the trust that was placed in him in taking any of these actions, the independent counsel law provides ways to deal with it. The independent counsel law authorizes the Attorney General to dismiss an independent counsel for good cause. While some critics have leveled charges of misspending, of foot dragging, or improper indictments at Judge Walsh, the fact is the Justice Department has not seen fit to act on any of those accusations.

The reason is that Judge Walsh is doing what he was asked to do. He is carrying out the task to which he was assigned.

I cannot help noticing some of the most vociferous critics of the independent counsel are also past targets of independent counsel investigations, people like Elliot Abrams. Mr. Abrams tries to deflect criticism from his own admitted criminal wrongdoing by attacking the independent counsel. But the system that he criticizes, while not perfect, is still the best solution that we have found to the problem of Watergate.

That problem, again, can be simply stated: How to handle the conflict of interest that exists when an Administration is asked to investigate its own top officials for criminal wrongdoing. The independent counsel solution is to rely on a court-appointed individual with meaningful independence from the day-to-day control of the Attorney General, but who ultimately is accountable to that same Attorney General.

In 1988, the Supreme Court said that the law is constitutional and that Congress fundamentally got it right. Senator COHEN and I agree. That is why we are introducing this bill today.

The Independent Counsel Act of 1992 is simple and direct. Our bill does essentially three things: First, it authorizes the independent counsel law for an additional 5 years.

Second, it takes a number of steps to strengthen fiscal controls on independent counsel.

They include requiring independent counsels to act with due regard for expense, to authorize only reasonable expenditures, and to appoint a staff person whose responsibility will be to track expenses. The bill also requires independent counsels to comply with Justice Department policies on spending; requires the General Services Administration to house independent counsels in buildings owned or operated by the Federal Government to avoid commerical rent charges; and directs the Administrative Office of the U.S. Courts to continue providing administrative support and guidance on independent counsel expenditures.

Finally, the bill makes it clear that the independent counsel process may be used by the Attorney General in cases involving Members of Congress.

Most interpret the current independent counsel law to cover Members of Congress under the provision of that existing law which allows the Attorney General to appoint an independent counsel in any case in which the Attorney General determines that there would be a personal, financial, or political conflict of interest.

The Attorney General apparently has some doubt about his ability to apply for an independent counsel in a case against a Member of Congress. To remove any doubt, the section of our new bill would explicitly authorize the Attorney General to use an independent counsel in any case involving a Member of Congress without having to make a conflict of interest determination.

These refinements would not change the basic provisions of the law, but would further strengthen it and clarify it.

On August 11, I have scheduled a hearing before the subcommittee that I chair, and Senator COHEN, the subcommittee's ranking Republican and one of the most knowledgeable Members of this body on the independent counsel law, will also be present and helping to lead the fight to renew this statute.

I thank Senator COHEN for his continuing commitment, not just to this law which he helped father, but for his intellectual integrity and his steadfastness. We need it, because public confidence in Government is at a low point.

Failure to renew the independent counsel law would be a severe blow to the credibility that the public has left in Government. It would return us to the Watergate quagmire in which crimnal investigations of persons close to the President would again be subject to real and perceived conflicts of interest. That is what would happen if we do not renew the independent counsel law. I believe that the Senate will reject that alternative, will maintain its tradition of bipartisan support for the independent counsel law, and mark the 20th anniversary of Watergate with another overwhelming vote to keep the independent counsel statute on the books.

Mr. President, I ask unanimous consent that the text of the bill that we are introducing today and an analysis of it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3131

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Counsel Reauthorization Act of 1992".

SEC. 2. FIVE-YEAR REAUTHORIZATION.

Section 599 of title 28, United States Code, is amended by striking "1987" and inserting in lieu thereof "1992".

SEC. 3. ADDED CONTROLS.

Section 594 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(l) ADMINISTRATIVE AND COST CONTROLS.—

"(1) ADMINISTRATIVE CONTROLS.—The administrative Office of the United States Courts shall provide administrative support and guidance to each independent counsel. The General Services Administration, in consultation with the Administrative Office, shall promptly provide appropriate office space within a Federal building for each independent counsel.

"(2) COST CONTROLS.—

"(A) IN GENERAL.—An independent counsel shall—

"(i) conduct all activities with due regard for expense;

"(ii) authorize only reasonable expenditures; and

"(iii) promptly upon taking office, assign to a specific employee the duty to ensure expenditures are made in accordance with the principles set forth in clauses (i) and (ii).

"(B) DEPARTMENT OF JUSTICE POLICIES.—An independent counsel shall comply with the established policies of the Department of Justice respecting expenditures of funds to conduct investigations and prosecutions, except where such compliance would violate the purposes of this chapter.".

SEC. 4. MEMBERS OF CONGRESS.

Section 591(c) of title 28, United States Code, is amended by—

(1) redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(2) designating the text as paragraph (1) and inserting at the beginning of the text the following: "(1) IN GENERAL.—"; and

(3) adding at the end thereof the following new paragraph:

"(2) MEMBERS OF CONGRESS.—The Attorney General may conduct a preliminary investigation in accordance with section 592 if the Attorney General receives information sufficient to constitute grounds to investigate whether a Member of Congress may have violated any Federal criminal law.".

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS OF THE INDEPENDENT COUNSEL REAUTHORIZATION ACT OF 1992

The Independent Counsel Reauthorization Act of 1992 would not make major changes in the law. Essentially, it would reauthorize the law for 5 years, strengthen fiscal and administrative controls on independent counsels, and clarify the Attorney General's authority to use the independent counsel process in a case involving a Member of Congress.

SECTION 1. SHORT TITLE

This section contains the title of the bill.

SECTION 2. FIVE-YEAR REAUTHORIZATION

This section would reauthorize the law for 5 years.

SECTION 3. ADDED CONTROLS

This section would strengthen fiscal and administrative controls on independent counsels by adding a new provision (1) to section 594 of the independent counsel statute.

Subsection (1) would direct the Administrative Office of the U.S. Courts to provide administrative support and guidance to each independent counsel. This provision would codify current practice in which the Administrative Office handles each independent counsel's accounts and provides advice about allowable expenditures.

Subsection (1) would also require the General Services Administration, in consultation with the Administrative Office, to provide office space to each independent counsel within a building owned, operated or under a pre-existing, long-term lease by the federal government. The purpose of this provision is to ensure that independent counsels are housed in federal buildings and do not pay commercial rent or pay for security services that federal buildings already provide.

Subsection (2) would require each independent counsel to "conduct all activities with due regard for expense," "authorize only reasonable expenditures," and appoint a staff person to ensure that expenditures are made in accordance with these principles. It would also require independent counsels to comply with Justice Department policies on spending, except where compliance would violate the purposes of the law.

SECTION 4. MEMBERS OF CONGRESS

Section 4 would clarify the law's application to Members of Congress by adding a new paragraph to section 591(c). Under current law, an Attorney General may appoint an independent counsel in a case involving a Member of Congress if the Attorney General determines that a "personal, financial or political conflict of interest" would apply if the Department of Justice handled the case. The new provision would drop the requirement that the Attorney General find a conflict of interest and explicitly authorize the Attorney General to use the independent counsel process "if the Attorney General receives information sufficient to constitute grounds to investigate whether a Member of Congress may have violated any Federal criminal law."

SECTION 5. EFFECTIVE DATE

This section would make the bill effective on the date of its enactment.

Mr. COHEN. Mr. President, Senator LEVIN took the floor this morning and introduced legislation to reauthorize the independent counsel provisions of the Ethics in Government Act of 1978. As many of my colleagues know, this act will expire unless we take action to reauthorize it.

It has become controversial. In fact, it was born in controversy. The original establishment of the Independent Counsel Act came out of the Watergate experience when Elliot Richardson resigned as Attorney General rather than fire Archibald Cox, a special prosecutor, as it was called at that time, as did Bill Ruckelshaus.

As a result of that experience, we felt in establishing this law in 1978 that the most important objective that needed to be achieved was the reaffirmation of the American people's confidence in the integrity of the judicial system.

Justice is said to be "giving every man and woman his or her due." The power to investigate and to prosecute is the most important, and I suggest the most dangerous, in our democratic system because it involves the power of the Government to take an individual's property, liberty, or, indeed, even life.

It is a great power, and it is subject to great abuse—not only in exercising the power to indict and to prosecute, but conversely in refusing, in some cases, to exercise that power to indict. As a former prosecutor, I will say that the easiest thing for a prosecutor to do is to institute criminal proceedings against an individual. It is not hard to obtain an indictment. The hardest thing to do is to refuse to exercise that power when the evidence is inconclusive or ambiguous.

Now it may be a matter of principle for a prosecutor to refuse to bring the great weight of the Government against an individual. But it also might be a matter of favoritism or privilege. And even where a principled decision is made by a prosecutor, it might not be viewed as such by the public. We know that justice must not only be done, but appear to have been done.

Mr. President, historically the Justice Department has taken this law as an affront, a challenge to its integrity. And I would like to say that, in fact, the law was written to assure the people of this country that they could continue to hold the Justice Department in the highest regard—above suspicion, above doubt, and above criticism.

So this act was written to really insulate the Justice Department against the charge that it had not acted according to the highest principles and traditions of this country.

I might also say that those who have been charged with misdeeds or improprieties have been the beneficiaries of this law. I recall, for example, that Attorney General Meese was alleged to have engaged in a number of improprieties. I also recall that he requested that an independent counsel be appointed to investigate his case. And, in fact, after that investigation Mr. Meese was cleared of those charges of impropriety.

Now I would like to ask any of my colleagues on the left, on the right, Republican, Democrat, conservative, liberal, is there any doubt in anyone's mind that had the Justice Department conducted that investigation of Attorney General Meese and refused to indict or find improprieties that there would have been suspicion cast upon the integrity of that investigation?

And so we have a compelling reason to have a law such as this. It is in need of modification. It has, indeed, been modified on two prior occasions. We expect next week, when Senator LEVIN and I conduct hearings on this matter, to in fact modify it further.

But let me suggest that there is a way to get rid of this law. There is an easy way to obviate the need for an Independent Counsel Act, and that is for future Presidents to stop the practice of appointing friends or political supporters as Attorney General.

The reason that we have to have an independent counsel is because the practice has been so prevalent over the years for Democratic Presidents, Republican Presidents to appoint their personal lawyers, their best friends, their political supporters, even their family members as Attorney General. And so an inherent conflict of interest arises when the highest ranking members of that administration are alleged to have committed criminal acts.

There have been some notable exceptions to this practice in recent years. One occurred when Gerald Ford appointed Mr. Levy of Chicago to serve as Attorney General. No one had any doubts that he was truly independent and not selected because of his political associations.

I would suggest that if we really want to get rid of the Independent Counsel Act, that the Presidents of this country establish the practice of appointing individuals who are highly regarded within the legal profession, who have not been engaged in partisan politics and who, in fact, would be a symbol of true impartiality in the administration of justice. Then there is no need for this particular act.

Until that occurs, I believe there is a compelling interest to reauthorize this act, and I hope that following the hearings next week, we will be able to bring a piece of legislation to the floor that will enjoy the support of both sides of the aisle.

By Mr. D'AMATO (for himself, and Mr. MOYNIHAN):

S. 3132. A bill to prohibit land known as the Calverton Pine Barrens, located on Department of Defense land in Long Island, NY, from being disposed of in any way that allows it to be commercially developed; to the Committee on Armed Services.

CALVERTON PINE BARRENS PRESERVATION ACT

• Mr. D'AMATO. Mr. President, I rise today, along with my friend and colleague Senator MOYNIHAN, to introduce the Calverton Pine Barrens Preserva-

tion Act of 1992. This legislation would protect from commercial development over 3,200 acres of land around the Grumman aircraft testing facility at Calverton in Suffolk County.

This wooded area, surrounding 2,805 acres leased by the Grumman Aerospace Corp. from the U.S. Navy, is situated over a major section of the sole source water supply for 2.3 million Long Islanders. It is also the home of nearly two dozen different threatened or endangered animal species, such as the banded sunfish, the eastern bluebird, the buck moth and the tiger salamander. The Calverton Pine Barrens is also a place where 19 species of rare and endangered plants grow, many of which are found nowhere else in New York State.

The Calverton Pine Barrens is also owned by the Navy but is under the management of the New York State Department of Environmental Conservation [DEC] as a wildlife preserve and recreation area.

Mr. President, in the past the Federal Government floated the idea of selling off this buffer zone around the Grumman facility. It made no sense to allow development, however, in an area surrounding a Navy jet testing facility, and the administration did not pursue the idea.

However, the recent discussion on the possible construction of a commercial jetport facility gives this legislation a heightened sense of importance.

The Calverton Pine Barrens Preservation Act has required that if the Navy were ever to declare it to be no longer needed, the Secretary of the Navy must designate the area a protected tract and therefore off limits to commercial development. If a private owner attempts to develop the land, ownership of the tract would revert back to the United States.

Whatever the future holds for the Calverton facility, we must prevent development that would not only destroy an important environmental resource but might cause dangerous interference with jet flight paths.

Mr. President, I would like to offer my thanks to Congressman GEORGE HOCHBRUECKNER who had introduced an identical bill H.R. 1065 in 1991 and who has been a champion for this important cause.

I note that both State and local government officials, as well as those citizens who are concerned with preserving this ecosystem are in favor of this legislation.

Mr. President, the Calverton Pine Barrens provide clean water, a habitat for rare animals and plants, and an important outdoor recreational area for 15,000 New Yorkers who fish, hunt, and hike in this beautiful area. We must do all we can to preserve this heritage for our children and our children's children.

I urge that my colleagues support Senator MOYNIHAN and me in saving the Calverton Pine Barrens.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 2. SHORT TITLE.

This Act may be cited as the "Calverton Pine Barrens Preservation Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) The Pine Barrens, a forest of pine trees extending across Long Island, New York, protect and replenish the Island's sole-source aquifer and require well-planned protection strategies.

(2) The Department of Defense owns 3234 acres of the Pine Barrens which serve as a buffer zone surrounding the Naval Weapons Industrial Reserve Plant in Calverton, New York, and provide numerous benefits to the public and wildlife.

(3) The General Services Administration has suggested selling portions of the Pine Barrens described in paragraph (2) and under Federal law, such portions could be sold for commercial development.

(4) The New York State Government and local governments have an interest in preserving the Calverton Pine Barrens in its natural state.

(b) PURPOSE.—The purpose of this Act is to ensure that the Calverton Pine Barrens are never commercially developed and that they remain in their natural state in perpetuity.

SEC. 3. CALVERTON PINE BARRENS PROHIBITED FROM BEING COMMERCIALLY DEVELOPED.

In the event that any part of the Calverton Pine Barrens is declared to be excess to the needs of the Department of the Navy, the Secretary of the Navy shall designate that part a protected tract. The protected tract, or any part thereof, may not be disposed of in any way that would allow commercial development to take place on it. If the protected tract, or any part thereof, is ever conveyed to an entity which uses it for commercial development, ownership of the protected tract shall revert to the United States.

SEC. 4. DESCRIPTION OF THE CALVERTON PINE BARRENS.

The Calverton Pine Barrens is the land of not less than 3234 acres located on Department of Defense land surrounding the Naval Weapons Industrial Reserve Plant in Calverton, New York.•

By Mr. HARKIN (for himself, Mr. CONRAD, Mr. INOUYE, Mr. WOFFORD, Mr. CRANSTON, Mr. GRASSLEY, Mr. ROCKEFELLER, and Mr. METZENBAUM):

S. 3133. A bill to prohibit the importation of goods produced abroad with child labor, and for other purposes; to the Committee on Finance.

CHILD LABOR DETERRENCE ACT

Mr. HARKIN. Mr. President, I rise to introduce the Child Labor Deterrence Act of 1992. This bill would prohibit the importation of any product, made whole or in part, by children under the age of 15 who are employed in industry or mining.

Mr. President, last year when the Senate considered extending fast-track authority for the Mexico Free-Trade Agreement, I noted that there were between 5 to 10 million children illegally employed in Mexico—often in hazardous jobs.

In Mexico, 13-year-old girls have been found working 48 hours a week making electric wiring strips for General Electric in Nogales, making dashboard components for General Motors at the Delnosa plant of Delco, and bags at the Duro Bag Manufacturing Co. in Rio Bravo.

As I stated on the Senate floor, when people ask me what's my bottom line on the Mexican trade agreement—it's simply this: Our country ought not to import any item from any country that is made by child labor, period.

That should be our policy. Mr. President, I am determined to make that our country's policy.

The bill I am introducing today, however, is not only about Mexico and the NAFTA negotiations. It goes beyond that.

The International Labor Organization [ILO] estimates that hundreds of millions of children worldwide under the age of 15 are employed. In many developing countries children represent a substantial portion of the work force and can be found in such industries as glass, metal works, textiles, mining, and fireworks manufacturing.

Many of these children begin working in factories at the age of 6 or 7. They are poor, malnourished, and often work 60 hour weeks for little or no pay.

Their dreams and childhood are being sold for a pittance—to factory owners and in markets around the globe.

Mr. President, whether it is in Bombay or Bangkok, Morocco or Mexico, construction or carpet weaving—no one country nor industry has cornered the market on the economic exploitation of children.

In Indonesia children work in electric light bulb factories, 8 or more hours a day, 6 days a week and make a measly $3 per week.

The ILO reported 1991 estimates that half of the 50,000 children working as bonded labor in the weaving industry in Pakistan will never reach the age of 12—victims of disease and malnutrition.

Conditions are no better in neighboring India where 44 million children under the age of 15 are employed. According to a recent New York Times article, an estimated 300,000 to 1 million children in that country work in the weaving industry—making carpets for 12 to 16 hours a day.

This year India is expected to export 170 million dollars' worth of carpets, 45 percent of which will be imported into the United States.

It is time to end this human tragedy and our participation in it. It is time for greater government and corporate responsibility.

In that regard, Mr. President, last night on the Senate floor we had a debate and a vote on a resolution that had to do with this kind of responsibility. Let me remind the Senators what we voted on last night.

Last night we declared the following:

The Senate supports the concept that corporate America and the officials of all American institutions can and should contribute positively to individual thought and conduct as key contributors to a healthy, responsible society and individual human dignity.

The Senate believes that corporate and institutional entities, their management and stockholders, as well as their advertisers and sponsors, should exercise positive and constructive oversight of their activities without the sole test of their contributions based on profits, sales and publicity.

Mr. President, the Senate further stated when we voted on this resolution last night, and I believe no one voted against it.

The Senate strongly believes that corporate America and the officials of all American institutions weaken the moral fiber of the Nation by hiding behind the faceless mask of such corporations and institutions in a relentless search for profits, sales and publicity without regard to the moral content of their products or their services.

That is what the Senate went on record as saying last night.

Mr. President, what about the morality and the moral content of the items we import into this country made by child labor in other countries,—working 12 to 15 hours a day for very little pay?

Mr. President, I have some photographs which illustrate what I am talking about in this bill. The first photograph is of a young girl believed to be about 12 years of age, working in China, making what is known as a Garfield doll, a little cat, that is sold in this country. Mr. President, this young girl ought to be playing with the Garfield dolls and not working 12 to 15 hours a day making them.

Mr. President, I will be talking more about this when the most-favored-nation status treaty with China comes up in this body.

Here is another photograph. A photo of a young boy, again preteen, in a metal factory in India. He too most likely works long hours, 6 days a week, making little money.

Here is another child, again I do not know the age of this child, obviously preteen, in Malaysia, working in a wood processing plant making wood products, stooped over all day, drilling holes in wood.

We are importing items such as these into the United States.

Mr. President, to echo what the Senate said last night, it is time for us, and it is time for corporate America to quit hiding behind a faceless mask in a relentless search for profit and sales, without regard to the moral content of their products or their services. That is what we are talking about here.

No longer can officials in the Third World and U.S. importers turn a blind eye to the suffering and misery of the world's children. No longer should American consumers provide a market for goods produced by the sweat and the toil of children.

Mr. President, the child labor laws in many countries around the globe are often not enforced. Instead of skipping their way to the classroom and preparing for the future, children are hustled off to factories. These kids belong in school not sweatshops. They should be carrying books to class not bricks to kiln factories.

We should be trying to raise the standard of living in the Third World so we can compete on the quality of our goods not the misery and suffering of those who make them. Our policy toward the Third World should not cause the impoverishment of people—whether they are adults or children. Our policy toward the Third World should promote economic growth with equity and human development because it is in our interest. As their markets expand, so too will American jobs and our exports. Our policy should discourage Third World Countries from sending kids to the assembly line and encourage them to increase their spending on programs for their children, such as primary education.

That is the best way to eliminate child labor, decrease poverty and enhance development in Third World countries—for developing countries to increase their expenditures on primary education.

It was mass education that took children out of textile mills in the United States at the beginning of the century. And, it was the South Korean Government's drive for mass education that took kids out of its once infamous garment sweatshops and led to its economic growth. Today 90 percent of Korean children go to school until the age of 16—a higher ratio than in many developed countries.

Mr. President, I could point to human rights abuses and horrendous working conditions of adult workers in South Korea, but I cannot fault that country of the steps it has taken regarding child labor. It shows that developing countries do not have to wait until poverty is eradicated or they are fully developed before eliminating the economic exploitation of children.

Mr. President, the Child Labor Deterrence Act of 1992 is intended to strengthen existing trade law. The bill directs the U.S. Secretary of Labor to compile and maintain a list of foreign industries and their respective host countries that use child labor in the production of exports.

Once a foreign industry and its host country has been identified as utilizing child labor, the Secretary of the Treasury is directed to prohibit the entry of any manufactured article from that foreign industry.

The entry ban would not apply if U.S. importers can certify that the product from the identified industry and its host country is not made by child labor. U.S. importers would be required to sign certificates of origin to affirm that they took reasonable steps to ensure that products imported from industries, identified by the Secretary of Labor, are not made by child labor.

Further, the bill urges the President of the United States to seek an agreement with other governments to secure an international ban on trade in the products of child labor.

And any company or individual who would willfully or knowingly, bring those products into this country in violation of that law would suffer civil and criminal penalties.

Again, I am not trying to blanket a country. I am not saying that all items, for example, from Malaysia ought to be kept out of this country, nor from China, nor from Mexico. I am saying that those industries that employ child labor making products that are imported here, those products should be kept out of this country. That is what this bill seeks to do.

Mr. President, this legislation would impose no undue burden on U.S. importers. I know of no importer, company or department store that would willingly promote the exploitation of children or want to have their products identified as being the product of child labor. Companies and importers take reasonable steps to ensure the quality of the goods they purchase. They should also be willing to take reasonable steps to ensure that those goods are not produced by child labor.

Mr. President, this legislation is not about trying to impose our standards on the developing world. It's about preventing those manufacturers in the developing world who economically exploit children from imposing their standards on the United States. It's about protecting children and their future. It's about eliminating a major form of child abuse in our world. It's about assisting countries in the developing world to enforce their laws by eliminating the role of the United States in providing a market for foreign products made by underage children and encouraging other nations to do the same.

Mr. President, I am proud to join with Senators CONRAD, WOFFORD, INOUYE, CRANSTON, GRASSLEY, ROCKEFELLER, and METZENBAUM in introducing the Child Labor Deterrence Act of 1992. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the bill, and the New York Times article that I mentioned be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Labor Deterrence Act of 1992."

SEC. 2. FINDINGS, PURPOSE, AND POLICY.

(a) FINDINGS.—The Congress finds the following:

(1) Principle 9 of the Declaration of the Rights of the Child proclaimed by the General Assembly of the United Nations on November 20, 1959, states that "...the child shall not be admitted to employment before an appropriate minimum age; he shall in no case be caused or permitted to engage in any occupation or employment which would prejudice his health or education, or interfere with his physical, mental, or moral development...".

(2) Article 2 of the International Labor Convention No. 138 Concerning Minimum Age For Admission to Employment states that, "The minimum age specified in pursuance of paragraph 1 of this article shall not be less than the age of compulsory schooling and, in any case, shall not be less than 15 years.".

(3) According to the International Labor Organization, worldwide an estimated 200,000,000 children under age 15 are working, many of them in dangerous industries like mining and fireworks.

(4) Children under the age 15 constitute approximately 11 percent of the workforce in some Asian countries, 17 percent in parts of Africa, and a reported 12-26 percent in many countries in Latin America.

(5) The number of children under age 15 who are working, and the scale of their suffering, increase every year, despite the existence of more than 20 International Labor Organization conventions on child labor and laws in many countries which purportedly prohibit the employment of under age children.

(6) In many countries, children under the age 15 lack either the legal standing or means to protect themselves from exploitation in the workplace.

(7) The employment of children under the age of 15 commonly deprives the children of the opportunity for basic education and also denies gainful employment to millions of adults.

(8) The employment of children under the age of 15, often at pitifully low wages, undermines the stability of families and ignores the importance of increasing jobs, aggregated demand, and purchasing power among adults as a catalyst to the development of internal markets and the achievement of broad-based, self-reliant economic development in many developing countries.

(9) Adult workers in the United States and other developed countries should not have their jobs imperiled by imports produced by child labor in developing countries.

(b) PURPOSE.—The purpose of this Act is to curtail the employment of children under age 15 in the production of goods for export by—

(1) eliminating the role of the United States in providing a market for foreign products made by underage children; and

(2) encouraging other nations to join in a ban on trade in such products.

SEC. 3. UNITED STATES INITIATIVE TO CURTAIL INTERNATIONAL TRADE IN PRODUCTS OF CHILD LABOR.

In pursuit of the policy set forth in this Act, the President is urged to seek an agreement with governments that conduct trade with the United States for the purpose of securing an international ban on trade in the products of child labor.

SEC. 4. IDENTIFICATION OF FOREIGN INDUSTRIES AND THEIR RESPECTIVE HOST COUNTRIES THAT UTILIZE CHILD LABOR IN EXPORT OF GOODS.

(a) IDENTIFICATION OF INDUSTRIES AND HOST COUNTRIES.—The Secretary of Labor (hereafter in this section referred to as the "Secretary") shall undertake periodic reviews using all available information, including information made available by the International Labor Organization and human rights organizations (the first such review to be undertaken not later than 180 days after the date of the enactment of the Act), to identify any foreign industry and its host country that—

(1) utilize child labor in the export of products; and

(2) has on a continuing basis exported products of child labor to the United States.

(b) PETITIONS REQUESTING IDENTIFICATION.—

(1) FILING.—Any person may file a petition with the Secretary requesting that a particular foreign industry and its host country be identified under subsection (a). The petition must set forth the allegations in support of the request.

(2) ACTION ON RECEIPT OF PETITION.—Not later than 90 days after receiving a petition under paragraph (1), the Secretary shall—

(A) decide whether or not the allegations in the petition warrant further action by the Secretary in regard to the foreign industry and its host country under subsection (a); and

(B) notify the petitioner of the decision under subparagraph (A) and the facts and reasons supporting the decision.

(c) CONSULTATION AND COMMENT.—Prior to identifying a foreign industry and its host country under subsection (a), the Secretary shall—

(1) consult with the United States Trade Representative, the Secretary of State, the Secretary of Commerce and the Secretary of the Treasury regarding such action;

(2) publish notice in the Federal Register that such an identification is being considered and inviting the submission within a reasonable time of written comment from the public; and

(3) take into account the information obtained under paragraphs (1) and (2).

(d) REVOCATION OF IDENTIFICATION.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may revoke the identification of any foreign industry and its host country under subsection (a) if information available to the Secretary indicates that such action is appropriate.

(2) REPORT OF SECRETARY.—No revocation under paragraph (1) may take effect earlier than the 60th day after the date on which the Secretary submits to the Congress a written report—

(A) stating that in the opinion of the Secretary the foreign industry and host country concerned does not utilize child labor in the export of products; and

(B) stating the facts on which such opinion is based and any other reason why the Secretary considers the revocation appropriate.

(3) PROCEDURE.—No revocation under paragraph (1) may take effect unless the Secretary—

(A) publishes notice in the Federal Register that such a revocation is under consideration and inviting the submission within a reasonable time of written comment from the public on the revocation; and

(B) takes into account the information received under subparagraph (A) before preparing the report required under paragraph (2).

(e) PUBLICATION.—The Secretary shall—

(1) promptly publish in the Federal Register—

(A) the name of each foreign industry and its host country identified under subsection (a);

(B) the text of the decision made under subsection (b)(2)(A) and a statement of the facts and reasons supporting the decision; and

(C) the name of each foreign industry and its host country with respect to which an identification has been revoked under subsection (d); and

(2) maintain in the Federal Register a current list of all foreign industries and their respective host countries identified under subsection (a).

SEC. 5. PROHIBITION ON ENTRY.

(a) PROHIBITION.—

(1) IN GENERAL.—Except as provided in paragraph (2), during the effective identification period for a foreign industry and its host country the Secretary may not permit the entry of any manufactured article that is a product of that foreign industry.

(2) EXCEPTION.—Paragraph (1) shall not apply to the entry of a manufactured article—

(A) for which a certification that meets the requirements of subsection (b) is provided;

(B) that is entered under any subheading in subchapter IV or VI of chapter 98 (relating to personal exemptions) of the Harmonized Tariff Schedule of the United States; or

(C) that was exported from the foreign industry and its host country and was en route to the United States before the first day of the effective identification period for such industry and its host country.

(b) CERTIFICATION THAT ARTICLE IS NOT A PRODUCT OF CHILD LABOR.—

(1) FORM AND CONTENT.—The Secretary shall prescribe the form and content of documentation, for submission in connection with the entry of a manufactured article, that satisfies the Secretary that the importer of the article has undertaken reasonable steps to ensure, to the extent practicable, that the article is not a product of child labor.

(2) WRITTEN EVIDENCE.—The documentation required by the Secretary under paragraph (1) shall include written evidence that the agreement setting forth the terms and conditions of the acquisition or provision of the imported article includes the condition that the article not be a product of child labor.

SEC. 6. PENALTIES.

(a) UNLAWFUL ACTS.—It is unlawful—

(1) during the effective identification period applicable to a foreign industry and its host country, to attempt to enter any manufactured article that is a product of that industry if the entry is prohibited under section 5(a)(1); or

(2) to violate any regulation prescribed under section 7.

(b) CIVIL PENALTY.—Any person who commits any unlawful act set forth in subsection (a) is liable for a civil penalty of not to exceed $25,000.

(c) CRIMINAL PENALTY.—In addition to being liable for a civil penalty under subsection (b), any person who intentionally commits any unlawful act set forth in subsection (a) is, upon conviction, liable for a fine of not less that $10,000 and not more than $35,000, or imprisonment for 1 year, or both.

(d) CONSTRUCTION.—The violations set forth in subsection (a) shall be treated as violations of the customs laws for purposes of applying the enforcement provisions of the Tariff Act of 1930, including—

(1) the search, seizure and forfeiture provisions;

(2) section 592 (relating to penalties for entry by fraud, gross negligence, or negligence); and

(3) section 619 (relating to compensation to informers).

SEC. 7. REGULATIONS.

The Secretary shall prescribe regulations that are necessary or appropriate to carry out this Act.

SEC. 8. DEFINITIONS.

For the purposes of this Act:

(1) MANUFACTURED ARTICLE.—A manufactured article shall be treated as being a product of child labor if the article—

(A) was fabricated, assembled, or processed, in whole or part;

(B) contains any part that was fabricated, assembled, or processed, in whole or in part; or

(C) was mined, quarried, pumped, or otherwise extracted, by one or more children who engaged in the fabrication, assembly, processing, or extraction—

(i) in exchange for remuneration (regardless to whom paid), subsistence, goods or services, or any combination of the foregoing;

(ii) under circumstances tantamount to involuntary servitude; or

(iii) under exposure to toxic substances or working conditions otherwise posing serious health hazards.

(2) CHILD.—The term "child" means an individual who has not attained the age of 15.

(3) EFFECTIVE IDENTIFICATION PERIOD.—The term "effective identification period" means, with respect to a foreign industry or country, the period that—

(A) begins on the date of that issue of the Federal Register in which the identification of the foreign industry or country is published under section 4(e)(1)(A); and

(B) terminates on the date of that issue on the Federal Register in which the revocation of the identification referred to in subparagraph (A) is published under section 4(e)(1)(B).

(4) ENTERED.—The term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(5) FOREIGN INDUSTRY.—The term "foreign industry" includes any entity that produces a manufactured article in any possession or territory of a foreign country.

(6) HOST COUNTRY.—The term "host country" means any possession or territory of a foreign country that is administered separately for customs purposes and on which a foreign industry produces a manufactured article.

(7) MANUFACTURED ARTICLE.—The term "manufactured article" means any good that is fabricated, assembled, or processed. The term also includes any mineral resources (including any mineral fuel) that is entered in a crude state. Any mineral resource that at entry has been subjected to only washing, crushing, grinding, powdering, levigation, sifting, screening, or concentration by flotation, magnetic separation, or other mechanical or physical processes shall be treated as having been processed for the purposes of this Act.

(8) SECRETARY.—The term "Secretary", except for purposes of section 4, means the Secretary of the Treasury.

[From the New York Times International, July 9, 1992]

BOUND TO LOOMS BY POVERTY AND FEAR, BOYS IN INDIA MAKE A FEW MEN RICH

(By Edward A. Gargan)

SEWAPURI, India.—As the summer sun labored toward the desiccated plains of northern India, Amarnath Kumar, a straw-thin 10-year-old boy, and three friends crept away from the red adobe hut that had been their prison for 18 months. Across the blistered soil of fallow wheat fields, the boys hurried north, avoiding other people, hurrying into the descending darkness.

Behind them, in the adobe enclosure, they left other children—children bought or stolen from the parents, taken to toil as virtual slaves on the carpet looms of eastern Uttar Pardesh.

For 12, 14, 16 hours a day, every day of the week, every week of the year, children as young as eight sit on rough planks knotting colored yarn around the stretched cords of the loom's warps, creating the carpets that India sells around the world.

What the four boys were escaping was the explosion of such slavery in this area, the use of children to fuel the rapid growth of the carpet industry. The United States is the biggest customer for Indian carpets.

BUYING A BOY FOR $50

There are no reliable data on the number of children working here; indeed, carpet brokers, professional associations and judicial officers all deny that any substantial number of children are working in bondage.

But estimates by others of the children's workforce in this area range from 300,000 to over a million. According to a report last month by the International Labor Organization, India has 44 million child laborers nationwide.

In most cases, the children who work in the carpet belt are purchased from their parents, or merely taken with promises of future payments. The vast majority come from the poorest parts of Bihar, the most impoverished state in India.

When parents are in fact paid, the going rate for an eight-year-old boy is 1,500 to 2,000 rupees ($50 to $66), a substantial sum for many families.

Once the deal is struck, the procurer will take 10 or 15 children at a time by bus and train to the carpet belt, usually to the town of Badhoi near here, where the loom owners will come to pick up their new workers.

Typically, says Raman Kant Rai, who campaigns to help the children, a boy may work three to five years before being returned to this family, having grown too large to work in the cramped dirt wells behind the looms. On occasion, however, some boys continue to work into their late teens and twenties, at which point they are given a minimal wage and become permanent workers in the industry.

Across India, in quarries, brass smelters, glass factories and match and explosives plants, children labor in dangerous, unhealthy and oppressive conditions, often against their will, sometimes with the consent of their parents. Child labor continues despite a 1973 law prohibiting all forms of bonded or slave labor and a 1986 act banning workers under the age of 14 from a broad range of industries.

Yet each year more and more children are forced into hazardous work places, sometimes with the connivance of the authorities, often with their tacit acceptance of child labor as an unpleasant fact of life. No one has ever gone to prison in India for using children as workers.

LOCKED IN DORMITORIES

"Nowadays, migrant child labor, bonded child labor, has increased," said Mr. Rai. "The people who are engaged in this have all kinds of money and influence. In this area, there has not been a single raid by the authorities."

Only rarely, it seems, do children escape their servitude: they are too young, too far from home, too terrified. At night, many loom owners keep the children locked in dormitories, adobe buildings with simple mats on dirt floors. And during the day, while not literally chained to their looms, the stare and the lash of loom owners bond the children to the planks on which they sit.

There are no roads into the nearby village of Bibris, just a rocky path that meanders in from a faint macadam strip that heads off toward a nearby town. Cows and coal-black water buffaloes are tethered to wooden stakes outside mud-walled houses.

Here and there, faint thumping drifts from earthen buildings. Around a corner, a row of village houses opens onto a courtyard bustling with the pat of bare feet and quiet words as dozens of boys, some just seven or eight, unwind huge skeins of undyed wool.

Inside the huts, huge wooden looms, strung with plain yarn like harps, reach from the bottom of the pits to the clay-tiled roofs. And behind them, on worn planks, sit more shirtless young boys, four to a loom, poking fingers through the warp, squeezing a snippet of yarn through and back and knotting it, all in a blur of movement. The tips of their fingers are strangely pink and shiny. After a time, the boys bash their knots together with mallets.

"In this village," explained Mr. Rai, "there are 4,000 looms. This village is the most problematic in the carpet belt, problematic in the sense it has the most loomage, the most notorious men." He pointed to a doe-eyed boy whose head barely reached above the seat of the bicycle on which he leaned.

"That boy," Mr. Rai said, "is eight. He was beaten for one year because he couldn't learn how to weave fast enough. The youngest boy I have seen is six and a half."

INDUSTRY GROWING RAPIDLY

India is expected to sell about $170 million worth of carpets abroad this year, the vast majority hand-woven on looms here, virtually all of them by children. The United States, the largest customer, takes about 45 percent of the exports, Germany is the second-largest buyer.

India's carpet industry began to blossom in the last decade, after carpet exports from Iran and Afghanistan were reduced by international sanctions and war. While Indian carpets did not approach the quality of Persian or Afghan rugs, the finest is inexpensive enough and well enough made to sell well in the West.

"In 1970, there were not more than 20 or 30 exporters in this country," said Jalil Ansari, the secretary of the All India Carpet Manufacturers Association, in the town of Bhadohi. "Now there are more than 2,000."

Typically, an exporter will contract with dozens or hundreds of loom owners scattered through the carpet belt.

BONDAGE? WHAT BONDAGE?

Both the exporters and the carpet association are aware that widespread use of child labor violates Indian law and could create difficulties in selling carpets in the West if the extent of the practice became widely known. As a result, the association has suggested labeling carpets with tags declaring that they had been woven without the use of children.

Chandramani Mishra, a member of the manufacturers' association, said nothing had come of the suggestion. But, he added, "if you want a label, no problem."

Sometimes children are able to break out of their imprisonment. Amarnath Kumar is one of the few.

"We came to the railway crossing," he remembered. "The man who operated the crossing said, 'Where are you going?' We told him we escaped from Chhateri village. He let us sleep there. The next morning a man came and we told him our whole story. He said, 'Come with me.' He gave us food and then brought us to Dr. Rai."

For nearly 20 years, Mr. Rai, a chemist by training, has worked in this area to enhance village economies by encouraging new but simple farm technologies, home weaving of garments, improved sanitary conditions, education for village women—consciously emulating Mahatma Gandhi's idea of small-scale, self-reliant rural communities. Only in the last year or so, however, has he begun to pay attention to the children laboring in the villages.

A BOY ESCAPES

"For a long time, you look at something and don't see it," he said. "You don't know what you're seeing. We have a lot of blindness."

Amarnath, who was eight years old when he first began working on the looms, talked of his life in Chhateri a few days after he escaped, with his three friends.

He said that a middleman, a man well-known in the area of north Bihar where his family lived, had told his father, "Your son will get good clothing, good food and 350 rupees a month"—about $12.50. "My father said O.K. After all, I was just a cow boy."

"The first day we were brought there," he said, "we were told we had to weave carpets. I took two months to learn. No money was paid to me. All day we had to weave, even up until midnight. We were not allowed to rest during the day. If we became slow, we were 'murga banatha'"—a phrase that means "made like a chicken." Amarnath squatted on the ground and bent over like a chicken. "We were beaten with sticks," he said. "We were beaten on our backs."

NO VEGETABLES, NO MILK

"He used to lock us up at home, in a room," Amarnath continued. "There were nine of us in the room. For one and a half years we never had green vegetables, not to talk of milk. He did not even allow us to have a bath."

Among the more worldly exporters and business leaders, there is increasing sensitivity to the use of children on the looms, but little has deterred the practice.

Mr. Ansari, the secretary of the carpet makers' association, said his industry was the backbone of the region's economy. But he denied that children, particularly children in forced labor, were the main workforce in the industry.

'IT IS NOT TRUE'

"It is not true," he said. "Once or twice a week I go and I do not find it. They are getting the salary. They are getting food." Even downstairs from his office, though, children were hunched over carpets, clipping the outlines of flowers from the wool surface.

The senior civil official in the carpet belt, the district magistrate for Varanasi, Saurabh Chandra, said no children were being held in abusive labor in his domain. "Whenever any violation of any statute is pointed out," he said, "action is taken. We have released a large number of bonded laborers."

But in the interview Mr. Chandra could not say how many children had been released or when, or whether any penalties had been imposed on the loom owners who had pressed the children into bondage.

Then Mr. Chandra asked, "Why are you defaming our industry?"

Several hours after the interview the reporter was approached at his hotel by two of Mr. Chandra's associates lugging a stack of files and seeking to expand on Mr. Chandra's comments.

One, Sudhir Kumar, the subdivisional magistrate, said no cases of bonded labor had ever appeared in his court.

The other, D.P. Singh, the deputy labor commissioner, said he was unsure how many children worked in the region's carpet industry. "When my inspectors come, the neighboring looms hide the children." But then, he admitted, "no inspector has been posted for this specific problem."

Mr. CONRAD. Mr. President, I want to express my strong support for legislation being introduced today by Senator HARKIN, the Child Labor Deterrence Act of 1992. I have joined as a cosponsor of this legislation, and believe, as Senator HARKIN has stated, that this measure is "both good morals and good policy."

This measure makes an important statement about the commitment of the United States to the world's children. It would prohibit the importation of any product, made in whole or in part, by children under the age of 15 who are employed in industry or mining. The sheer number of children under the age of 15 who are employed—generally illegally—provides justification for this measure: UNICEF estimates that between 80 and 200 million children fall into this category.

Many of my colleagues may have read with interest an article which appeared in the May 4, 1992, issue of Newsweek magazine, which addressed the issue of global slavery. Although the issue of slavery is not at the heart of this measure, the article provided many tragic examples of the situations in which children live and work today. One terrible situation in Pakistan was described: "The abuse of children in the carpetmaking industry is legendary; last September one factory owner kidnapped two brothers, 8 and 10 years old, chained them to their looms and made them work 12 hours a day."

The United States has not to date taken an active lead in protecting the millions of children who work around the world. Even in our own country, American domestic child labor laws have remained virtually unchanged since the passage of the 1938 Fair Labor Standards Act.

The issue before us today is the role of the United States in strengthening—and in some cases, establishing—child labor protections for children who work in production overseas. The 1984 Generalized System of Preferences contained a provision that the President of the United States may not grant duty-free treatment to any country not granting its people "internationally recognized worker rights," which includes "a minimum age for the employment of children." The problem with this policy, however, is that imposition of sanctions or denial of benefits is normally not mandatory. Mr. President, it is time to go further than that. While a number of measures have been introduced in the Congress in recent years, little action has been taken to address the issue of international child labor. It is time now to take action on this front.

The legislation introduced today by Senator HARKIN would establish requirements to move toward the prohibition of child labor in production overseas. First, the Secretary of Labor would be required to develop and maintain a list of foreign countries that export products made with the use of child labor. Second, domestic importers would be required to certify that they have taken steps to ensure that products imported from countries identified on this list are not products of child labor. Finally, the President is urged to initiate an agreement with other governments to achieve a ban on trade in the products made with the use of child labor.

I believe these requirements would promote the interest of the United States in eradicating abusive child labor across the globe. I urge my colleagues to give their close consideration and support to this measure, which I believe merits passage by the 102d Congress.

By Mr. KENNEDY (for himself, Mr. COCHRAN, Mr. PELL, Mr. INOUYE, Mr. SIMON, Mr. WELLSTONE, and Mr. DODD):

S. 3134. A bill to expand the production and distribution of educational and instructional video programming and supporting educational materials for preschool and elementary school children as a tool to improve school readiness, to develop and distribute educational and instructional video programming and support materials for parents, child care providers, and educators of young children, to expand services provided by Head Start programs, and for other purposes; to the Committee on Labor and Human Resources.

READY TO LEARN ACT

• Mr. KENNEDY. Mr. President, when E.B. White was first introduced to television in 1938, he said he hoped it would be "the test of the modern world * * * a soaring radiance in the sky."

Half a century later, television is clearly a pervasive influence in our modern society, and our hearing today is an attempt to assess its current and potential role in meeting one of the most important of those tests—preparing children to learn.

Television is in 97 percent of the homes in the United States. It is a

proven, highly cost-effective source of information and education. It is also a tutor, a babysitter, and a counselor. By the time the vast majority of children go to kindergarten, they will have attended electronic preschool—and spent 4,000 hours in front of the television set.

Each year, 19 million preschoolers watch 14 billion hours of television. The average child watches 28 hours of TV every week. By age 14, a child has seen 13,000 televised murders. It is time to send a different message.

Television has the capability to be a remarkable teacher—an excellent supplement to traditional school; 97 percent of all classrooms in Japan make use of educational television. In contrast, the United States gives much lower priority to this form of encouraging learning. The youngest preschool children are ignored at a time when they are most receptive and impressionable, and their skills for later learning are being shaped.

It is clear that we can do better. We can use television more effectively to facilitate learning by children and students of all ages. By failing to take full advantage of this powerful teaching medium, we are selling ourselves, our children, and our country short.

We have made worthwhile progress in the past. Public television and the Children's Television Workshop have provided outstanding choices for young audiences. Programs like "Sesame Street" and "3-2-1 Contact" capture the minds and imaginations of children—but there is much more that needs to be done. Japan and Britain each provide more than five times our yearly volume of new children's programming.

We are all well aware of the extreme inequalities in American education. Far too many children find their futures permanently blighted by the lack of even minimal educational opportunity. By limiting quality educational programming to cable TV and pay-per-view stations, we are sending a message that money buys education, and ignoring a large share of the population.

Currently, cable television offers some quality children's programming, and is available in 60 percent of the country's households. But that leaves 40 percent of the population with no access to this alternative.

In an effort to deal with this challenge and provide more alternatives for children and parents, I am today introducing the Ready to Learn Act. It will create an office in the Department of Education to set priorities for the educational needs of preschool and elementary school children, and support initiatives to achieve these priorities through the production and distribution of quality educational television programming for children, parents, and caregivers. The Department will also be authorized to support grants for the development and distribution of training materials for parents and child care providers.

The bill also designates a "Ready to Learn Channel" for educational programs on one channel of the new public broadcasting satellite, to be launched next year.

These measures are a logical and necessary step in any comprehensive plan for school reform. The cost is modest. The bill authorizes $50 million for this initiative for fiscal year 1993, and such sums as may be necessary for 1994 through 1997.

In a hearing this morning, the Labor and Human Resources Committee heard from parents, educators, child advocates, and television producers and executives on the need for a federally supported program to increase the amount of quality educational programming available for young children and their caregivers. I ask unanimous consent that the testimony from the hearing, and the complete text of the legislation, be included in the RECORD.

I urge my colleagues to support this legislation and I look forward to its consideration by the full Senate.

Mr. President, I ask unanimous consent that the text of the bill and some supporting materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3134

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ready to Learn Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to—

(1) expand the availability of educational and instructional video programming and supporting educational resources for preschool and elementary school children as a tool to improve school readiness; and

(2) to develop and distribute educational and instructional video programming and support materials for parents, child care providers, and educators of young children.

SEC. 3. READY TO LEARN PROGRAMS.

The General Education Provisions Act is amended by inserting after section 405 (20 U.S.C. 1221e) the following new section:

"READY TO LEARN TELEVISION

"SEC. 405A. (a) IN GENERAL.—The Secretary is authorized to implement programs to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children in order to facilitate the achievement of the national education goals. In administering such programs, the Secretary shall ensure that such programming is made widely available to young children, their parents, child care workers and Head Start providers with support materials as appropriate to increase the effective use of such programming.

"(b) DUTIES OF THE SECRETARY.—In administering the programs under subsection "(a), the Secretary shall—

"(1) set priorities regarding the educational needs of preschool and elementary school children;

"(2) award grants for the development and dissemination of educational and instructional programming, in accordance with the priorities established under paragraph (1), for preschool children, children in transition programs from early childhood education to elementary school grades, and elementary school children;

"(3) award grants for the development and dissemination of training materials, including—

"(A) interactive programs, designed to enhance knowledge of children's social and cognitive skill development and positive adult-child interactions; and

"(B) support materials to promote the effective use of materials developed under paragraph (2);

among parents, Head Start providers, in-home and center based, day care providers, early childhood development personnel and elementary school teachers, and after school program personnel caring for preschool and elementary school children;

"(4) establish and administer a Special Projects of National Significance program to award grants to public and nonprofit private entities for the purpose of—

"(A) addressing the learning needs of young children in limited English proficient households, and developing appropriate educational and instructional television programming to foster the school readiness of such children;

"(B) developing programming and support materials to increase literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

"(5) establish within the Department a clearinghouse to compile and provide information, referrals and model program materials obtained or developed under this section to parents, child care providers, and other appropriate individuals or entities to assist such individuals and entities in accessing programs and projects under this section;

"(6) coordinate activities with the Secretary of Health and Human Services in order to—

"(A) maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

"(B) provide information to the grantees of those Federal programs that have major training components for early childhood development, including Head Start and State training activities funded under the Child Care Development Block Grant Act of 1990 regarding the availability and utilization of materials developed under paragraph (3) to enhance parent and child care provider skills in early childhood development and education; and

"(7) provide consultation to the Secretary of Commerce regarding what the educational and informational needs of preschool and elementary school children are for the purposes of implementing section 103 of the Children's Television Act of 1990 (Public Law 101-437) and coordinate the activities funded under this Act with the activities of the National Endowment for Children's Educational Television established under subpart B of part IV of title III of the Communications Act of 1934.

"(c) DEVELOPMENT AND DISTRIBUTION OF EDUCATIONAL PROGRAMMING FOR CHILDREN.—

"(1) GRANTS.—To carry out the provisions of subsection (b)(2), the Secretary shall award grants to eligible applicant entities to—

"(A) facilitate the development or acquisition, directly or through contracts with producers, of children's television programming, educational programming for preschool and elementary school children, and accompanying support materials and services that promote the effective use of such programming; and

"(B) contract with entities experienced in the distribution of such programming, such as public broadcasting entities and those funded under the Star Schools Assistance Act, for the dissemination of programs developed under this paragraph to the widest possible audience appropriate to be served by the programming by the most appropriate distribution technologies.

"(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant under paragraph (1) an entity shall—

"(A) be a nonprofit, nongovernmental entity with a demonstrated record of facilitating the development and distribution of educational and instructional television programming for preschool and elementary school children; and

"(B) have a demonstrated record of contracting with the producers of children's television programming for the purpose of developing or acquiring educational television programming for preschool and elementary school children.

"(2) CULTURAL EXPERIENCES.—Programming developed or acquired under this subsection shall reflect the recognition of diverse cultural experiences in engaging and preparing young children for schooling.

"(d) DEVELOPMENT AND DISTRIBUTION OF TRAINING MATERIALS.—To carry out the provisions of subsection (b)(3), the Secretary may award grants to public or private nonprofit entities with demonstrated expertise and experience in the development of video or other educational materials regarding child development and early childhood education for parents and child care providers, to—

"(1) develop, directly or through contracts, training and support materials for the purpose of informing and training parents and personnel in accordance with subsection (b)(3); and

"(2) produce such materials for distribution to the broadest audience appropriate to be served, including parents, day care providers, public libraries and Head Start centers.

"(e) REPORTS AND EVALUATION.—

"(1) ANNUAL REPORT TO THE SECRETARY.—The entity receiving funds under subsection (c) shall prepare and submit to the Secretary an annual report that shall contain such information as the Secretary may require. At a minimum the report shall contain a description of the program activities undertaken with funds received under this section, including—

"(A) the programming that has been developed directly or indirectly by the entity, and the target population of the programs developed;

"(B) the support materials that have been developed to accompany the programming, and the method by which such materials are distributed to consumers and users of the programming;

"(C) the means by which programming developed under this section has been distributed, including the technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies; and

"(D) the initiatives undertaken by the entity to develop public-private partnerships to secure non-Federal support for the development and distribution and broadcast of educational and instructional programming.

"(2) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report to include the following information—

"(A) a summary of the information made available under subsection (d)(1);

"(B) a description of the training materials made available under subsection (b)(3), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such subsection.

"(f) READY TO LEARN SATELLITE CHANNEL.—The Secretary may enter into a contract with a public broadcasting entity for the distribution of educational video programming for preschool and elementary school children, parents, and child care providers, on at least one channel under a satellite interconnection authorized under section 396(k)(10) of the Communications Act of 1934 (47 U.S.C. 396(k)(10)). Such channel shall be designated as the Ready to Learn Channel.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997. Not less than 60 percent of the amounts appropriated under this paragraph for each fiscal year shall be used to carry out subsection (c).

"(2) SPECIAL PROJECTS.—Of the amount appropriated under paragraph (1) for each fiscal year, not to exceed 10 percent of such amount shall be utilized in each such fiscal year for activities under subsection (b)(4).

"(h) ADMINISTRATIVE COSTS.—With respect to the implementation of subsection (c), entities receiving a grant from the Secretary may use up to 5 percent of the amounts received under a grant under such subsection for the normal and customary expenses of administering the grant.".

SEC. 4. AMENDMENTS TO HEAD START.

(a) ALLOTMENT OF QUALITY IMPROVEMENT FUNDS.—Section 640(a)(3)(B) of the Head Start Act (42 U.S.C. 9835(a)(3)(B)) is amended—

(1) in clauses (i) and (iii) by striking "and second" and inserting ", second, and third", and

(2) in clause (ii) by striking "second" and inserting "third".

(b) PARENTAL SKILLS.—Section 640(a)(4)(B)(i)(II) of the Head Start Act (42 U.S.C. 9835(a)(4)(B)(i)(II)) is amended by inserting ", literacy," after "skills".

(c) REDUCTION OF REQUIRED AMOUNT OF MATCHING FUNDS.—Section 640(b) of the Head Start Act (42 U.S.C. 9835(b)) is amended—

(1) in the first sentence by striking ", in accordance with regulations establishing objective criteria,", and

(2) by inserting after the first sentence the following:

"For the purpose of making such determination, the Secretary shall take into consideration with respect to the Head Start program involved—

"(1) the lack of resources available in the community that may prevent the Head Start agency from providing all or a portion of the non-Federal contribution that may be required under this subsection;

"(2) the impact of the cost the Head Start agency may incur in initial years it carries out such program;

"(3) the impact of an unanticipated increase in the cost the Head Start agency may incur to carry out such program;

"(4) whether the Head Start agency is located in a community adversely affected by a major disaster; and

"(5) the impact on the community that would result if the Head Start agency ceased to carry out such program.".

(d) ISSUANCE OF TRANSPORTATION SAFETY REGULATIONS.—Section 640 of the Head Start Act (42 U.S.C. 9835) is amended by adding at the end the following:

"(i) The Secretary shall issue regulations establishing requirements for the safety features, and the safe operation, of vehicles used by Head Start agencies to transport children participating in Head Start programs.".

(e) REVIEW OF HEAD START AGENCIES.—Section 641(c)(2) of the Head Start Act (42 U.S.C. 9836(c)(2)) is amended—

(1) by inserting "(A)" after "(2)", and

(2) by adding at the end the following:

"(B) The Secretary shall conduct a review of each newly designated Head Start agency immediately after the completion of the first year such agency carries out a Head Start program.

"(C) The Secretary shall conduct follow-up reviews of Head Start agencies when appropriate.".

(f) DESIGNATION OF HEAD START AGENCIES.—Section 641(d) of the Head Start Act (42 U.S.C. 9836(d)) is amended—

(1) in paragraph (6) by striking "and" at the end, and

(2) by adding at the end the following:

"(8) the plan of such applicant to provide (directly or through referral to educational services available in the community) parents of children who will participate in the proposed Head Start program with child development and literacy skills training in order to aid their children to attain their full potential; and

"(9) the plan of such applicant who chooses to assist younger siblings of children who will participate in the proposed Head Start program to obtain health services from other sources.".

(g) POWERS AND FUNCTIONS OF HEAD START AGENCIES.—Section 642(b) of the Head Start Act (42 U.S.C. 9836(b)) is amended—

(1) by striking "and (5)" and inserting "(5)", and

(2) by inserting before the period at the end the following:

"(6) provide (directly or through referral to educational services available in the community) parents of children participating in its Head Start program with child development and literacy skills training in order to aid their children to attain their full potential; and (7) consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources.".

(h) ADMINISTRATIVE REQUIREMENTS AND STANDARDS.—Section 644 of the Head Start Act (42 U.S.C. 9839) is amended—

(1) by striking "No" and inserting "Except as provided in subsection (f), no",

(2) in the first sentence of subsection (c) by striking "subsection (a)" and inserting "subsections (a) and (f)", and

(3) by adding at the end the following:

"(f)(1) The Secretary shall establish uniform procedures for Head Start agencies to

request approval to purchase facilities to be used to carry out Head Start programs.

"(2) Except as provided in section 640(a)(3)(A)(v), financial assistance provided under this subchapter may not be used by a Head Start agency to purchase a facility (including paying the cost of amortizing the principal, and paying interest on, loans) to be used to carry out a Head Start program unless the Secretary approves a request that is submitted by such agency and contains—

"(A) a description of the site of the facility proposed to be purchased;

"(B) the plans and specifications of such facility;

"(C) information demonstrating that—

"(i) the proposed purchase will result in savings when compared to the costs that would be incurred to acquire the use of an alternative facility to carry out such program; or

"(ii) the lack of alternative facilities will prevent the operation of such program; and

"(D) such other information and assurances as the Secretary may require.".

(i) TECHNICAL AMENDMENTS.—(1) Section 640 of the Head Start Act (42 U.S.C. 9835) is amended—

(A) in subsection (a)—

(i) in paragraph (2)—

(I) in subparagraph (A) by inserting "children" after "handicapped",

(II) in subparagraph (B) by striking "Commonwealth of," and inserting "Commonwealth of", and

(III) in subparagraph (C) by striking "any",

(ii) in paragraph (3)(A)(vi) by striking "section 640(a)(2)(C)" and inserting "paragraph (2)(C)", and

(iii) in paragraph (5)(B)(i) by striking "clause (A)" and inserting "subparagraph (A)", and

(B) in subsection (g) by striking "for all" and inserting "For All".

(2) Section 640A(b) of the Head Start Act (42 U.S.C. 9835a) is amended—

(A) in paragraph (1) by striking "solution" and inserting "solutions", and

(B) in paragraph (7)—

(i) in clause (iii) by striking "the", and

(ii) in clause (iv) by striking "the" the first place it appears.

(3) Section 642(c) of the Head Start Act (42 U.S.C. 9837(c)) is amended by striking "subtitle" and inserting "subchapter".

(4) Section 643 of the Head Start Act (42 U.S.C. 9838) is amended by striking "the such" and inserting "such".

(5) Section 651(g) of the Head Start Act (42 U.S.C. 9846(g)) is amended—

(A) by striking "physicial" and inserting "physical", and

(B) by striking "(g)(1)" and inserting "(g)".

(6) Section 651A of the Head Start Act (42 U.S.C. 9846a) is amended—

(A) in subsection (f) by striking "COMPARISION" and inserting "COMPARISON", and

(B) in subsection (g) by inserting "of title I of the Elementary and Secondary Education Act of 1965" after "chapter 1".

SEC. 5. TECHNICAL AMENDMENTS RELATING TO THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.

(a) PLACEMENT OF ACT.—Section 5082 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508; 104 Stat. 1388-236) is amended in the matter preceding paragraph (1) by striking "title IV" and inserting "title VI".

(b) REFERENCES IN DEFINITIONS.—Section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n) is amended—

(1) in paragraph (7)—

(A) by striking "section 4(b)" and inserting "section 4(e)", and

(B) by striking "(25 U.S.C. 450b(b))" and inserting "(25 U.S.C. 450b(e))", and

(2) in paragraph (14)—

(A) by striking "section 4(c)" and inserting "section 4(l)", and

(B) by striking "(25 U.S.C. 450b(c))" and inserting "(25 U.S.C. 450b(l))".

SEC. 6. TECHNICAL ASSISTANCE, TRAINING, AND STAFF QUALIFICATIONS.

Section 648 of the Head Start Act (42 U.S.C. 9843) is amended—

(1) in subsection (a) by striking paragraph (2) and inserting the following: "(2) training for specialized or other personnel needed in connection with Head Start programs, including funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to non-English language background children, training for personnel in helping children cope with community violence, and resource access projects for personnel working with disabled children."; and

(2) by adding at the end thereof the following new subsections:

"(c) The Secretary shall—

"(1) develop a systematic approach to training Head Start personnel, including specific goals and objectives for program improvement and professional development, a process for continuing input from the Head Start community, and a strategy for delivering training and technical assistance; and

"(2) report on such approach to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives.

"(d) The Secretary may provide, either directly or through grants to public or private nonprofit entities, training for Head Start personnel in the use of the performing and visual arts and interactive programs using electronic media to enhance the learning experience of Head Start children.".

SEC. 7. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to fiscal years beginning before October 1, 1992.

SENATE LABOR AND HUMAN RESOURCES COMMITTEE HEARING—READY TO LEARN: TELEVISION AS TEACHER

PANEL I

Senator Daniel Inouye, Hawaii, Chairman, Senate Subcommittee on Communications.

Representative Ron Wyden, Oregon, Chairman, House Subcommittee on Regulation, Business Opportunities, and Energy.

PANEL II

Bernice Smoot, Co-Chair, Parents United for D.C. Public Schools accompanied by Janece Smoot, age 9, Washington, D.C.

Peggy Charren, President, Action for Children's Television, Cambridge, Massachusetts.

Dr. Nicholas Zill, Director, Child Trends, Inc., Member, National Eucation Goals Panel Readiness Resource Group, Washington, D.C.

PANEL III

Richard Carlson, President and CEO, Corporation for Public Broadcasting, Washington, D.C.

David V.B. Britt, President and CEO, Children's Television Workshop, New York City.

Brigid Sullivan, Vice President for Children's Programming, WGBH, Boston, Massachusetts.

Dr. Carolyn Dorrell, South Carolina Educational Television, Columbia, South Carolina.

TESTIMONY OF BERNICE S. SMOOT

It seems to me that network television stations prefer not to live in the real world. Rather, they prefer to sit in ivory tower offices and create programming that emulates the real world.

It would be easy for them to argue for the right to simply create and air whatever will sell.

But, for those of us who live in the real world, things are not that simple.

For example, as a mother, I have the right, supposedly, to feed my children as I wish.

But, if I chose to feed my children doses of poison each day; once discovered, I would be held responsible for not providing adequate nourishment, liable for the damage my lack of responsibility has inflicted upon my children.

Network television executives must realize that what they produce in ivory tower suites impact our real world.

They must also realize that, like the rest of us living in this real world, they must provide adequate viewing nourishment or be held liable and subject to regulatory intervention.

Presently, network television is getting away with murder.

Network executives are freely feeding our children doses of poison each day, and making a fortune doing it.

Sure, we parents have to regulate what our children watch. But if we are to let our children watch network television at all, it gets down to a matter of trying to decide which poison is least harmful, because very, very little of what is available is truly good for children.

In my case, my daughters are ages nine and four. At age five or so, I can recall my oldest daughter, Janece, having nightmares after watching the six o'clock news.

She saw graphic depictions of crime scenes, heard graphic details of murder—one horrifying incident after the other.

Now, Janece stays apprised of current events by articles I select for her to read from the newspaper.

As for television, they both now watch acceptable videos that we choose to rent, or public television programming.

My four-year-old's favorites are Sesame Street, any nature series and, for some reason I haven't yet figured, those culinary programs with chefs preparing unusual recipes.

By and large, network television is out, with exception of things like the Cosby show.

There was a time when all of society embraced and nurtured its children. From the man who owned the corner store and refused to let little Johnny buy ice cream before dinner, to former network executives who wouldn't air anything that might offend the viewing family.

Today, there appears to be a race to see who can sooner get away with showing how much sex, how much murder, how much brutality.

It can be argued that this is what viewers want. But, I would modify that a little. It is what viewers have come to expect.

Thanks to years of the media force-feeding bits of violence here and there, we have come to believe we are not entertained unless we are shocked and horrified.

I can remember as a child forcing myself to watch the Outer Limits and the Twilight Zone. I would get so frightened, I wouldn't sleep well at night.

It seems that once I had outgrown Captain Kangaroo and Romper Room, there were no mental challenges left, so I settled for emotional stimulation.

Today, in the real world, there are so many single, working heads of households and so many homes where both parents are working.

Because child care is expensive, as soon as children are old enough to go home after school alone, they are sent there.

And what do most do when they get there? Turn on T.V.

Television has become the ultimate babysitter. Well, babysitters must be responsible for the children left in their care.

Everyone talks about the need to get back to values. Well, I can't think of a more important one to return to than the value of nurturing our Nation's children.

It is no longer fair or reasonable for an entity that occupies and impacts virtually every American family not to have some responsibility for what it feeds that family.

It is no longer enough to say we have the right to choose what we watch, because in instances where many families do not have access to cable and public-TV programming, network television is the only choice.

And no matter which network station you turn to, the viewing options are essentially the same. News at five, six and eleven. Sex, violence and ho-hum comedy in between.

In the real world, in my real world, our black children are having a tough time. We live with violence in our streets. In D.C., there is an increasing number of children enduring violence in their homes.

Younger and younger girls are becoming mothers. Younger and younger boys are becoming killers.

Outside of heavenly intervention, the only thing that can change our children's lives for the better is education. Yet, in our schools, even this is woefully lacking.

While we parents and our Government work to put quality education in our schools, businesses like network television must work to put quality education programs in our homes.

It is socially irresponsible to omit quality programming.

Is it right for government to force the media moguls' hands in this regard?

I believe, in cases where we adults have proven ourselves irresponsible in our ability to do what is right and necessary, there must be regulation. Otherwise, negligence and irresponsibility continue to go unchecked.

The Ready To Learn Television Act of 1992 seems headed in the right direction. It is an important step toward regulating the irresponsibility of ivory-tower executives who have grown rich feeding our children—and us—daily doses of poison.

Can they provide educational programming and continue to prosper?

Somehow, I would find it incredibly hard to doubt that the same creative media minds that have so successfully managed to get an entire society to relish a diet of blood, guts and horror—which, by the way, does us no fundamental good—could have any difficulty, whatsoever, coming up with a nutritious, U.S. required daily allowance of educational sustenance that could benefit us all tremendously.

All they need is the right challenge and a ticket back into the real world. I believe the testimony they will hear today is the ticket; it is thus up to you to give them the challenge.

TESTIMONY BY PEGGY CHARREN

I am Peggy Charren, President of Action for Children's Television (ACT), a not-for-profit child advocacy group dedicated to improving children's television and eliminating commercial abuses in children's media. I appreciate the opportunity to testify today on new legislation designed to ensure that every child enters school ready to learn.

Children in the U.S. today spend nearly four hours a day watching TV, more time than they spend in the classroom or in any activity except sleep. Many people worry about the effects of television on children.

They worry about incessant exposure to violence. Are children learning that aggressive behavior is an acceptable solution to problems?

What are the effects of TV's racial and sexual stereotypes?

Has TV's rapid-fire delivery affected children's ability to learn?

Although that TV set in over 98% of our homes too often seems like Pandora's Box, it can also become a magical Aladdin's Lamp. It can offer our youngest viewers the opportunity to learn about a wide variety of places, people, occupations, ideas, lifestyles and value systems, many of which will affect the way they will live the rest of their lives. It can teach them to value poetry and music, freedom of expression and peace. It can empower them to make their world a better place.

One broadcasting entity that does meet the needs of children is, of course, the Public Broadcasting Service. PBS, since its inception 25 years ago, has been a constructive alternative to commercial television and has had a profound and positive effect on children's lives. PBS has pioneered many creative programs for young people—Mister Rogers Neighborhood, Sesame Street, Reading Rainbow, Long Ago and Far Away, for example—and has made TV learning both in school and at home a high adventure.

It is particularly important to note that PBS service to kids is commercial-free, uninterrupted by messages telling them that it is what you have and what you can get that counts, not who you are and what you know.

Too often, commercial TV is used to educate children to behave as a market segment, to lobby for products they don't need and cannot afford, to consume instead of save.

American commercial cable companies, local stations and national networks are corporations with a responsibility to shareholders to maximize profits. Maximum diversity of service to the television public does not usually go hand in hand with maximum profits.

The lack of choice in the children's TV menu prompted Congress to enact the Children's Television Act of 1990, putting Congressional spotlight on the scarcity of informative programming for younger audiences. The law requires broadcasters to serve "the educational and informational needs of children through the licensee's overall programming, including programming specifically designed to serve such needs." The target audience is defined by the law as 2 to 17 years of age for the program provision.

Predictably, most broadcasters are trying to circumvent the law. They are attempting to redefine their animated adventure-fare, obviously created primarily to entertain, and state in license renewal forms that these shows were designed to educate. Stations are aiming what they call their one and only "FCC compliance show" at teenagers, hoping these programs will also pick up younger viewers and young adult audiences.

Some network and station executives are thumbing their nose at the law. NBC affiliates have replaced Saturday morning cartoons with an extension of "The Today Show," without adding any service to children on weekdays.

"Electronic Media" (July 13) reported a rather strange response from Rusty Durante, Vice-President and General Manager, KWU-TV, the Fox station in Las Vegas. When asked, "What programming works best for you in the summer," he replied:

"The younger skewing stuff during the summer, obviously, with kids out of school. Some good examples are 'Arsenio Hall' and 'Studs,' which are in late night. They perform much better in the summer because kids can stay up later to watch them * * *"

Let's hope he doesn't plan to use "Studs" as his "FCC Compliance Show!"

Concerned groups of parents, pediatricians and teachers will be working in their communities to counter this irresponsible response to Congressional concern. But it is obvious that even if the law starts to work for children, it is unlikely to serve the education needs of viewers under seven.

According to a cover story in "Media Week" (June 22), 3.6 million kids have disappeared from the Saturday morning TV audience since Nielsen introduced people meters in 1987. With audience size determining the price paid for commercial time, networks and stations are worrying that advertisers are getting some kids for nothing. "Media Week" states that the core of Nielsen's plan to deal with this children's TV problem is "the hiring of 'child specialists' who will be trained with the help of child psychologists. They will go out with Nielsen field representatives to motivate kids to use the people meter."

Here we have a perfect example of commercial TV's attitude toward motivating and educating children. The goal is not to improve children's readiness to learn in school or anywhere else, but to teach our most vulnerable citizens to push ratings buttons so advertisers can teach them what to want out of life.

The goal of advertisers to maximize audience is especially destructive to children because the 2-to-12 year-old audience is the most diverse ten year period in human development. Some two-year-olds can't walk, and some 12 year-olds are having babies. Just about any adult (with the possible exception of our Vice-President) can enjoy "Murphy Brown." But songs and stories for 4-year-olds hold little charm even for 8 year-olds.

An added problem for programmers who deal in demographics is that very young children are less effective lobbyists for the purchase of toys and food than older kids.

I have outlined some of the reasons I strongly support the Ready-to-Learn Television Act.

As a matter of national education policy, we must take advantage of the fact that the TV screen is one of the most powerful, cost-effective instruments of education the world has ever known.

A federally-funded, free from commercials, Ready-to-Learn Satellite Channel under the auspices of public broadcasting, providing programming for children and for parents will help to fill some gaping holes in America's TV schedules.

New distribution channels make it possible to reach Head Start Centers, nursery schools, libraries and homes with video and support materials designed to advance national education goals. In addition to supporting educational programming for young audiences, this bill recognizes that parents and other care-givers need help children to help learn.

I think it's obvious that passage of the Ready to Learn Television Act will give children, parents, and all Americans a head start toward a better world for our kids.

TESTIMONY OF NICHOLAS ZILL, PH.D.

In 1990, President Bush and the governors of all the states agreed on six National Education Goals for the U.S. to achieve by the year 2000 (U.S. Department of Education, July 1990). The first goal is that all children in America will start school "ready to learn." The school readiness goal draws attention to two insights about children's academic progress. The first is that how children do in school depends on more than just their knowledge and skills. It depends as well on their physical well-being, emotional security, social confidence, and the degree of interest and engagement they bring to classroom activities (National Education Goals Panel, 1991). In other words, success in school is affected by the growth and development of the "whole child."

The second point is that how children do in school depends in large measure on things that happen before they ever set foot in a classroom. Among the prior influences on learning are the child's genetic endowment, prenatal conditions, the circumstances of birth, early nutrition, the early family environment, environmental hazards to which the child is exposed, and the kind of medical care that is available to the family. The significance of these influences was recognized in two of the objectives set forth under the goal of school readiness. One was that:

"Children will receive the nutrition and health care needed to arrive at school with healthy minds and bodies, and the number of low birthweight babies will be significantly reduced through enhanced prenatal health systems."

The other relevant objective was that:

"Every parent in America will be a child's first teacher and devote time each day helping his or her preschool child learn; parents will have access to the training and support they need" (U.S. Department of Education, July 1990, p. 4).

THE IMPORTANCE OF THE PERIOD BETWEEN BIRTH AND SCHOOL ENTRY

In addition to emphasizing the importance of the period before birth, the readiness goal causes us to be concerned about the period between the time a newborn leaves the birthing hospital with its mother and the time four-to-six years later when the same child appears at the schoolhouse door for entry into pre-k, kindergarten, or first grade. From an educational standpoint, this is a "dark period" in the sense that, during that time, the child does not come into regular contact with any social institution other than its family. To be sure, survey data tell us that nowadays more than 70 percent of youngsters spend some time in group daycare or nursery school before entering kindergarten (National Center for Education Statistics, 1992), and more than 90 percent receive medical care at least occasionally (National Center for Health Statistics, March 1991, p. 138). But there are as yet no explicit public standards against which the child's growth and development or health and safety are appraised. Yet from both educational and health perspectives, the interval between birth and school entry is a time of great developmental vulnerability.

A period of developmental vulnerability: Children under 5, especially those who live in impoverished circumstances, face threats to their health, safety, and psychological development that can have long-term effects on their chances of becoming good students and healthy, productive adults. A deficient diet during the first few years can impede physical growth and brain development. Inadequate medical care can result in the young child not being immunized against communicable diseases, or not getting glasses when he or she needs them or receiving delayed treatment for ear infections or other conditions that can lead to permanent impairments.

Toddlers who receive insufficient supervision or live in run-down housing as they begin to walk, climb, and explore are at risk of disfigurement, handicap, and even death from falls, burns, poisonings, and other injuries. Preschoolers who are not read to or played with in intellectually stimulating ways fall behind their peers in cognitive development and arrive at school in need of compensatory instruction. Young children who experience the family turmoil and disruption that often accompanies or causes early poverty are in jeopardy of long-lasting disturbances to their social and emotional development (Allison & Furstenburg, 1989; McLoyd, 1990; Dawson, 1991; Zill, Moore, Smith, Stief, & Coiro, 1991).

Early childhood is a difficult time for parents in even the best of circumstances, and poor young children whose parents are stressed are in danger of being physically abused or seriously neglected, more so than older children or non-poor children of the same age (McLoyd, 1990). Each year, more than 2 million reports of child maltreatment are received by child protection agencies across the U.S., with nearly 45 percent of them involving children under 6 (Select Committee on Children, 1989, pp. 68–69, 190–191). Death rates due to child battering and other forms of homicide are five times higher for infants, and nearly twice as high among children aged 1–4, as they are among 5–14 year-olds (National Center for Health Statistics, January 1992, Tables 7 and 23).

A window of opportunity: Although early childhood is a period of family stress and developmental vulnerability, it is also a time in which efforts to intervene and change children's lives for the better have a greater chance of success than similar efforts begun in middle childhood or adolescence. If parents can be made aware of the things they can do to nurture the development of their young children, and the right kinds of resources, supports, and services can be made available to the family before permanent damage is done, it may be possible to reduce the chances of later school failure, delinquency, and disturbance. That is the theory behind early intervention and family support programs designed to "break the cycle of disadvantage." The available evidence suggests that these programs can have significant long-term effects, at least in the limited situations in which they have been tested thus far (Berrueta-Clement, Schweinhart, & Barnett, 1986; Schorr, 1988).

As the premier communications medium of our time, television clearly has a role to play in helping parents to help their young children.

STATEMENT OF AMBASSADOR RICHARD W. CARLSON

I. INTRODUCTION

Mr. Chairman, Members of the Committee, I am Richard Carlson. Until last week I was U.S. Ambassador to the Republic of Seychelles. For almost six years prior to that I was Director of Voice of America. Monday, I was pleased to join the Corporation for Public Broadcasting (CPB)[1] as its President and Chief Executive Officer. Among the many reasons for my wanting to become associated with CPB is the unique opportunity to assist in advancing the use of public television as an effective educational tool. I believe that public telecommunications can make the most immediate contribution to education in the area where it has excelled most—children's programming.

We are all too familiar with the education crisis our country faces. Economic reports indicate that workers are less productive because they lack the necessary education to perform their jobs well. Education studies reveal that we still have major disparities in educational attainment among children from all walks of life, but particularly minority children and children from low-income families.

A major contributing factor to these problems is that we are sending children to school who are not prepared to learn. In response to this troubling situation, making sure that all children arrive at school ready to learn by the year 2000 has become the nation's first education goal. Despite our efforts to improve our schools, little can be achieved if we do not first address the need to give children a good start. A report issued recently by the Carnegie Foundation for the Advancement of Teaching, titled *Ready to Learn: A Mandate for the Nation*, states:

"In our reach for excellence, we have ignored the fact that to improve the schools, a solid foundation must be laid. * * * We have not sufficiently acknowledged that if children do not have a good beginning, it will be difficult, if not impossible, to compensate fully for that failure later on."

Since its creation, the Corporation has worked hard to develop the potential that public telecommunications holds to help children prepare for school. In addition to helping to develop the highest quality children's programming for broadcast, CPB has moved beyond broadcasting to expand programming uses for learning in traditional school settings, and to promote new technologies to better educate children in school and at home. These achievements in advancing the ready-to-learn effort would not have been possible without the support of federal funds through CPB. Today, we join this committee's efforts to build upon our successful partnership for the benefit of our nation's children and its future.

II. NEED FOR READY TO LEARN LEGISLATION

Mr. Chairman, you have recognized in introducing your legislation that Congress must act now to utilize telecommunications technologies to help to prepare children for school. We think this legislation is needed for three reasons: (1) it will respond to a critical need to improve and expand the quality of children's programming; (2) it will develop programs for use in schools, in childcare centers, and at home that are tailored to meet

[1] The Corporation is a nonprofit, nongovernmental corporation authorized by the Public Telecommunications Act of 1967 to facilitate the full development of public telecommunications and distribution of high-quality public service programs to all Americans.

ready-to-learn objectives; and, (3) it will fill an important funding gap that severely limits public television's ability to fulfill its potential to help in this nation's efforts to meet ready-to-learn goals.

A. Need to Improve and Expand Quality Children's Programming

Television plays a major role in the lives and development of American children. According to the Carnegie Foundation's *Ready-to-Learn* report, a child watches an average of one-and-a-half hours of television a day by the time he or she is six months old. By the time the child reaches kindergarten, he or she will have viewed more than 4,000 hours of television. "Next to parents," the report states, "television is perhaps a child's most persistent, and most influential teacher, and there is no way for a national ready-to-learn campaign to succeed fully unless the television industry becomes an active partner in the process."

While quality children's programming can have a positive influence on children, the fact is that children are being exposed through commercial and cable television to increasing amounts of sex, violence, and hard-sell advertising. For example, in May, 1992, the Citizen's Communications Center released a survey finding that commercial television stations appear to be making little change in providing the educational requirements under the Children's Television Act of 1990 (Pub. L. 101-437). This survey found that 27 of 32 stations that submitted license renewal applications had no locally produced children's programming, and the vast majority sought to justify programs such as *Super Mario Brothers and Teenage Mutant Ninja Turtles* as educational and informational.

With the knowledge that television plays an increasingly important role in the lives of children, and with the growing recognition that television, video, and other technologies can benefit education, we must take care to provide quality programming that will maximize the positive contributions these technologies can make to school readiness.

B. Television as a Teaching tool

The potential for television to serve as an effective teaching tool is well established in academic research, and was supported most recently in a report released by the American Psychological Association (APA) in February 1992. That report, *Big World, Small Screen: The Role of Television in American Society*, underscores how television can have very positive influences on children when there are good programs and good patterns of use of television.

The report documented many of television's negative effects on children—the exposure to violence, the development of antisocial behavior, the increased anxiety in children and reduced attention span—and concluded that "our failure to realize the potential benefits of the medium is perhaps more significant than our inability to control some of its harmful effects." The APA reinforces the view of the Carnegie Foundation's *Ready-to-Learn* report that "TV's great potential as a teacher has, in the best sense, remained largely unfulfilled" and recommends that "the most important change needed in our broadcasting system * * * is to increase noncommercial sources of funding" in order to support quality, diverse programming for underserved audiences such as children.

While important steps remain to be taken to improve the quality of television programming and its uses in the home, promising, though limited, steps are being taken in schools. Today, educators are looking for new learning approaches using technology to help them with problems such as severe budget cuts at the local and state levels, the departure of many skilled teachers from the profession, and the ability to alter curriculum development to keep pace with the nation's changing needs.

CPB has been tracking national trends in classroom use of television since 1977. In our most recent survey conducted last year, some striking findings were reported by the nation's teachers, principals, and superintendents. Three important patterns emerged in the study: (1) the use of television and video by classroom teachers has grown markedly; (2) teachers have very positive attitudes about television's and video's educational value and use in schools; and (3) despite the enthusiasm by teachers for instructional television and video, the availability of equipment and resources is often severely limited in schools, and funding is decreasing.

Perhaps the most important finding of the study was the extent that positive educational impacts of television were being observed by teachers in their own classrooms. For example, 73 percent of teachers reported that instructional television was generating new interest in topics among their students. Fifty-one percent of teachers reported that they saw their students learning more when instructional television was being used. Most teachers, 83 percent, agreed that instructional television helps them be more creative in their instruction. In addition, 91 percent of teachers surveyed agreed that instructional television and video can have a positive impact on the quality of American education.

These studies emphasize the positive influences that television and video can have on children, and the potential benefits to teachers and students when quality programming is available. The technology exists to expand greatly the use of such programming as a teaching tool in homes, schools, and day care centers, but sufficient programming does not exist to use these and future technologies to the maximum possible extent.

C. Funding of Children's Programming

Funding is a major roadblock to developing quality children's programming that will help to meet the ready-to-learn goal. While the Corporation has a strong track record in leveraging federal dollars to the maximum possible extent for programming, our experience has found that children's programming simply does not attract sufficient private funding. Thus, for children's programming initiatives, federal support is critical.

The development of quality programming is an expensive and time consuming proposition, especially for children's programming. Formative testing is irreplaceable. Experts must be involved from the start in developing the content and instructional design of any program. The program must also be tested and retested with children to ensure that it is appropriate for the child's age and development, that it is effective in teaching a concept more widely, and that it captures the child's attention, making the program fun to watch. This long, careful, painstaking process drastically increases the cost of a program, but is essential for effective, compelling, high quality children's programming that meets its educational goals.

CPB's discretionary funding has never been sufficient to capitalize fully on the desired quantity of children's programming. Throughout CPB's history, the needs of some age group of children has suffered from a lack of programming. While CPB continues to try to meet these needs, and remains one of the few sources of significant funding for children's programming, the Corporation continually is hard-pressed to meet its mission in addressing the needs of all our children.

III. THE ROLE OF CPB IN EDUCATION

A. CPB's Mission in Education

When President Lyndon B. Johnson signed the Public Broadcasting Act in 1967, he remarked:

"I believe the time has come to stake another claim in the name of all the people, stake a claim based upon the combined resources of communications. I believe the time has come to enlist the computer and the satellite, as well as television and radio and to enlist them in the cause of education."

Mr. Chairman, those words are even more relevant now than they were 25 years ago. When Congress established the Corporation in 1967, it directed CPB to find, initiate, and finance the production of high-quality educational, informational, instructional, and cultural programs. For early 25 years, programs supported by CPB have been produced by a variety of entities, including public broadcasting stations, minority-based production companies, independent producers, and educational institutions. Through their educational content, innovative qualities, and diversity, these programs have enhanced the knowledge and imagination of all Americans.

In addition, CPB always has encouraged the use of public television as a provider, partner, and supplement to school-based or formal education. Currently, approximately 65 percent of the public broadcasting schedule is devoted to delivering educational programming during the school day and, increasingly, programs produced for the national primetime schedule, such as the *National Geographic* specials and *The Civil War*, have value in the classroom.

B. CPB'S SUPPORT OF QUALITY CHILDREN'S EDUCATIONAL AND INSTRUCTIONAL PROGRAMMING

An integral part of CPB's mission since its inception in 1967 has been to provide educational and informational programming for children—including programming targeted to preschoolers and school-age children for home viewing and for classroom instruction.

The commitment of CPB and public broadcasting in serving the educational and informational needs of children has benefitted a whole generation of American children who have grown up under the positive educational influence of *Sesame Street* and *Mister Rogers' Neighborhood*. Both programs, which received early support from the Corporation, have achieved world acclaim and received countless awards. As Congress recognized in adopting the Children's Television Act of 1990 (Pub. L. No. 101-437, 104 Stat. 996), viewing *Mister Rogers' Neighborhood* leads to increased pro-social behavior, task persistence, and imaginative play; and watching *Sesame Street* helps preschool children develop letter, number, pre-reading, and vocabularly skills (S. Rept. No. 101-227, 101st Cong., 1st Sess. 5-7 (1989)). Further, the Senate Report recognized that "today, public television is the primary source of educational children's programming in the United States, broadcasting over 1,200 hours of children's educational programming for home viewing." (Id.)

In becoming the recognized leader in identifying and supporting high-quality educational children's programs, CPB's leader-

ship and concern for the educational well-being of our young people have led to the development of some of the most successful children's programming in television's history. This programming has helped millions of school-age children expand their awareness of subjects such as the environment, science, math, ethics, and art. For example:

Square One TV reinforces mathematical concepts for 8-to-12-year-olds and connects them to real world problems with educational game shows, musical videos, animation, and comedy sketches;

3-2-1 Contact presents science concepts to 8-to-12-year-olds by taking them to places they cannot go—above the clouds, under the seas, beneath the earth, inside the atom;

Reading Rainbow, an Emmy award-winning production and the most frequently utilized program in classrooms from public or private sources, has helped millions of primary grade school children to preserve their reading skills by motivating them to read over the summer;

Zoom!, a series written by, performed by, and directed to children ages 7 through 12, presented riddles, games, film, and drawings contributed by thousands of young viewers;

Electric Company taught basic reading skills to 6-to-11-year-olds who were not reading at their grade level, and during the 1970's was the most widely used television series in American classrooms;

WonderWorks, an anthology drama series for family viewing, offers an array of fantasy, mystery, comedy, drama, history, and computer animation; and,

DeGrassi Junior High and *DeGrassi High*, a series that followed a cast of young people from junior high into high school, provided guidance in confronting problems such as teen pregnancy, drugs, and child abuse, that real teenagers face.

In recent years, CPB has redoubled its commitment to children's programming. CPB has declared education, including children's education, its highest corporate priority for the 1990s and children's programming continues to be CPB's top priority in the development of new programs. Almost one-third of all projects selected for funding in the past two years through the CPB Television Program Fund are designed specifically for children. For example:

Where in the World is Carmen Sandiego?, which premiered in 1991, is a game-show format series for children ages 10-to-13 that teaches participants and viewers geography concepts and facts.

The Puzzle Factory, will be a new daily *preschool* series featuring a group of puppets that embody the diversity of American culture while encouraging preschool children to make choices, take creative risks, and experiment. The series takes place in a make-believe workshop where the *Puzzle Factory* puppets work together to find positive solutions to daily problems.

Ghostwriter, is scheduled to premiere this fall as a weekly series designed to encourage elementary school students to improve their reading and writing skills. The series includes 42 programs, with extensive educational and after-school club materials, including 10 issues of a free magazine at 2 million copies per issue that will be distributed to low-income children—at no cost to the families—to ensure that these children are not denied the opportunity to improve their writing skills.

Other children's programs supported by CPB include:

Lamb Chop's Play-Along, an interactive series for preschoolers which, with its stories, songs, dances, stunts, games, jokes, and riddles, encourages viewers to participate;

Barney and Friends, a series featuring a large purple dinosaur and a multicultural cast of young children, engages children in learning activities, familiar songs, and storytelling; and,

Long Ago & Far Away, a series based on children's literature, brings children and families popular stories and tales from different cultures.

In the years since 1977, CPB has funded 24 instructional television program series for the classroom. From that first series in 1977, *ThinkAbout*, which helped students acquire and practice the study and inquiry skills needed to become independent learners and successful problem solvers, CPB has supported a wide range of instructional programs for the classroom, including:

Walking With Grandfather, which dramatized traditional North American Indian folktales and explored the beauty and power of language;

The Universe & I, which examined different scientific disciplines, such as physics, geology, astronomy, planetology, meteorology, oceanography, and paleontology, to gain a greater understanding and knowledge of the Earth, the solar system, and the universe itself;

Up Close and Natural, which answered children's questions about the natural world while sharpening their skills of observation, description, and classification; and,

Newscast From the Past, which was patterned after contemporary news programs, and helped students understand and interpret long-term historical trends in politics and power, religion and philosophy, science and technology, the arts and day-to-day life.

CPB's efforts do not end with programming, however. Equal in importance to the dollars to make the broadcast program is the funding from the Corporation used to develop program-related teaching aids, such as workshops, teachers' guides, and parents' guides, to help parents, teachers, and childcare providers maximize the educational value of these programs. In addition, public broadcasting has developed supplementary aids for school-age children which include homework helplines and vacation magazines that contain reading lists, projects, and extracurricular activities.

More than 15 years ago, CPB took the lead in developing print materials—teacher, student, and general audience guides—to be distributed for use with general audience broadcasts. *NOVA* was one of the first series to have this value-added component. Through the success of many projects, CPB was able to demonstrate to corporate underwriters and to foundations that the impact of these materials would extend to new and different audiences and enhance the meaning of the programs as well.

Today, CPB and its co-underwriters are involved in not only the development of ancillary print support, but also the development of computer software, videodiscs, and single-concept video modules that build on the original broadcast program and make it a more usable resource for the classroom. CPB also is training teachers and childcare providers in the integration of video into the curriculum. Projects such as *Sesame Street*, *Mister Rogers' Neighborhood*, and a whole range of math and science instructional television programs have been a part of a nationwide effort to make better and more appropriate use of television in both preschool and classroom settings.

C. CPB's Commitment to Expanding Education Efforts

Using the Corporation's limited discretionary funds, CPB has stepped-up its efforts to enhance public broadcasting's capacity and ability to improve education services for children, parents, childcare providers, and teachers. CPB is providing initial funding to projects intended to reach beyond the home to day care centers and other nontraditional learning sites. Other funds are being directed to assist in training day care providers and teachers as well as to provide the foundation for community awareness and activism in addressing such education problems as illiteracy. The following are examples of some of these efforts:

1. Assisting Day Care Providers and Teachers

CPB and public television are taking the lead in developing new and innovative ways to ensure that children arrive at school ready to learn. This effort includes not only services and programming for children, but also addresses the critical need to equip the child's first instructors: parents, childcare providers, and elementary school teachers with additional resources to help them prepare children for school. Several programs involve the redesigning and repackaging of traditional public television children's programming with instructor training and teaching materials for childcare providers. These exciting projects are still in their infancy but already have proven to be effective in local communities. However, the lack of sufficient funding is threatening their use nationally. Among the examples are:

Extending the Neighborhood to Childcare, funded by CPB and conducted by WGTE-TV, in Toledo, Ohio, and Family Communications, Inc., producers of the *Mister Rogers' Neighborhood* series. This innovative project uses programming from *Mister Rogers' Neighborhood* and incorporates it into childcare curriculum to help children gain essential interaction and social skills that will assist them in school. For example, on January 29, 1992, more than 5,000 childcare providers and early childhood education professionals nationwide participated in a training teleconference funded by CPB to extend the use of *Mister Rogers' Neighborhood* to childcare centers. The teleconference was presented at 121 sites around the country, including 109 public television stations. Participants received the *Mister Rogers' Plan and Play Book*, which offers ideas for hands-on activities in the childcare setting, and a one-year subscription to a quarterly newsletter published by WGTE. In addition to funding the teleconference and newsletter, CPB funded the original development and publication of the book.

Sesame Street Preschool Education Program (PEP), developed by Children's Television Workshop. This project uses *Sesame Street* programs and training and support materials to help childcare providers and parents nurture the development of learning skills and the curiosity of children ages 2-5. The project, which recently completed a rigorous pilot test stage in Dallas, Texas, and currently reaches 40,000 children and 3,600 childcare providers in 29 states through 54 public television licensees, seeks to train care providers to create an active learning environment for children. Thirty-six additional licensees are expected to be added in the third phase of the project which begins this fall. The project has significant potential, yet resources are lacking for wide implementation.

Early Childhood Professional Development Network, developed by South Carolina Edu-

cational Television (SC ETV). This project trains childcare providers through videotapes which are produced and distributed by SC ETV. SC ETV has produced videotapes to train professionals who verify that daycare providers meet basic educational standards, for the National Association for the Education of Young Children through its National Academy of Early Childhood Programs. Approximately 2,500 have been trained using these tapes. In addition, SC ETV has worked closely with the Council for Early Childhood Professional Recognition to provide childhood development associate training.

The Parents Project, developed by KQED-TV in San Francisco, California. This pilot project is designed to develop services which will encourage parents to become more involved in their children's education, to make more effective use of public television's educational programming in their homes, and to become better partners with teachers in their children's education.

WNET Teacher Training Institute, launched by Thirteen* WNET/Texaco Training Institute in the summer of 1990 through a partnership between Texaco, Inc., and Thirteen *WNET, New York. The Institute was founded to tap educational television's enormous potential in the classroom by training teachers to use it effectively. It brings together elementary and secondary school teachers to develop creative approaches to teaching with instructional television. In the New York area alone, the Institute already has reached 2,500 teachers and 13,000 students from diverse geographic and socioeconomic schools. With additional support from Texaco and CPB, WNET's Educational Services has launched the *Teacher Training Institute for Science, Television and Technology*. Based on the success of the pilot project, this model has been expanded to 10 additional sites throughout the country. It is estimated that by the end of 1992, 15,000 teachers will have received training as part of this project.[2]

Annenberg/CPB Math and Science Project, a collaboration between the Annenberg Foundation and CPB to help teachers in kindergarten through 12th grade better convey the concepts and principles of science and the ways in which science, mathematics, and technology depend upon one another. The project uses communications and educational technologies, including computers, two-way video, laser discs, electronic networks, and data services as a means of achieving its objectives.

2. Creating Programs That Encourage the Growth of a Literate Society

Public broadcasting also has been successful in merging volunteer networks with telecommunications resources to empower communities to develop solutions to local problems that often have national ramifications. This "added value" allows a single program, accompanied by the local efforts of hundreds of stations, to attract thousands of individual volunteers. Programs that motivate citizens to participate in solving problems locally create a snowballing effect that can generate a national solution to a major "national" problem.

For example, one project supported by the Corporation that seeks to combat illiteracy is the Family Literacy Alliance. The Alliance is a collaboration among the producers of three award-winning public television children's series: *Long Ago & Far Away*, *Reading Rainbow*, and *WonderWorks*. The goal of the Alliance is to encourage public television stations to reach new audiences by working with local agencies and organizations to find ways to integrate public television programming into existing community programs and bring the joy and fun of reading to families. The efforts of the Alliance center around the need to promote literacy by working with local community organizations which serve populations that have not been part of the traditional public broadcasting audience. Examples in the pilot effort included Cambodian Mutual Assistance Program, Boston, Massachusetts; Even Start, Albuquerque, New Mexico; Allegheny County Jail's Program for Female Offenders, Allegheny County, Pennsylvania; and the Indian Wellness Center, Omaha, Nebraska.

Public broadcasting also has had significant success in building awareness of the problem of adult illiteracy in America. Awareness campaigns, such as the successful Project Literacy U.S., or PLUS, stimulated the growth of successful volunteer-based, one-to-one outreach programs designed to help illiterate adults learn to read, help those for whom English is a second language develop English language skills, and help learners with limited skills master new ones. In its four-year campaign, *PLUS* also stimulated awareness of the need for workplace literacy, family literacy, and adult mentoring of at-risk students.

The CPB-funded Public Television Outreach Alliance (PTOA), which began *PLUS*, is public broadcasting's primary outlet for helping to enable local communities to achieve solutions to problems. The PTOA continues to make education activities its highest priority.

D. New Public Broadcasting Satellite

CPB and public broadcasting have undertaken a major effort to develop satellite technology to extend educational opportunities. This effort was made possible when the Congress invested in new public broadcasting satellites for radio and television that will increase dramatically public broadcasting's potential contribution to education. In 1988, Congress authorized, and appropriated over the next three years, nearly $200 million for CPB to replace the public broadcasting satellite interconnection systems. These new satellite interconnection systems, which will become operational in late 1993, will provide public broadcasting with new opportunities to integrate many of the existing and developing technologies into the satellite-based interconnection systems that will provide service into the next century.

With six transponders and the advent of digital compression, public television will be able to provide simultaneously up to 20 channels. Digital compression techniques allow more information (video, data, audio) to be compressed into a single transponder. Each channel will be able to deliver high-quality video and audio services for education, such as a dedicated children's channel. New satellite technologies will make possible two-way, interactive instruction.

An example of how satellite technology already has made a difference in education is the Satellite Educational Resources Consortium (SERC), which received one of the first Star Schools grants and which CPB helps to support. Through live, interactive classes, SERC gives students in geographically and economically disadvantaged areas access to excellent teachers in critical subject matters such as mathematics, science, and foreign languages. SERC utilizes a collaboration of state public broadcasting networks and departments of education in 23 states. Sixty percent of participating SERC schools are rural, and 71 percent are eligible for Chapter I funds.

The new public broadcasting satellite will enable much broader implementation of these types of services. However, funding now must be targeted toward the development of programming in order to use the satellite to its maximum capacity.

IV. USING CPB AND PUBLIC BROADCASTING AS A VEHICLE FOR READY-TO-LEARN PROGRAMMING

Mr. Chairman, CPB applauds and supports the efforts of this committee to focus national attention on the current state of children's educational programming. The Corporation believes that the objectives contained in your legislation represent another integral step in our nation's resolve to address this important need. As the recognized leader in identifying and funding the development of high quality children's programming, CPB stands ready in every way to assist you and the Committee in your efforts.

We are deeply appreciative of this Committee's recognition of the value that public broadcasting brings to our nation's youth. With comparatively few resources, public broadcasting has set the standard which is not met through any other programming.

Federal support for public broadcasting to increase the availability of children's educational programming can offset the void in quality children's programming by providing the means to the single institution which has demonstrated both the true commitment and the capability to use television to benefit the education of children. By using CPB as a vehicle, Congress also taps an effective system of locally based institutions which actively engages in supporting community education efforts; avoids unnecessary duplication of resources and unnecessary administrative delays that could result from assigning the task to a federal agency; and ensures maximum accountability for the most effective use of federal dollars while protecting against federal interference in programming:

CPB's expertise and proven track record in the funding and development of children's television uniquely positions the Corporation to act as a resource for Congress. Over the 25-year history of CPB, the Corporation has developed a vast network of experts, producers, and educators in the field that, together with CPB, have provided the foundation for the high-quality, educational children's programming and services available on public broadcasting.

By utilizing CPB, Congress will limit duplication and devote maximum funding to programming with little lose due to overhead and administrative costs. The Corporation, through its strong network in communities such as education, psychology, child development, television programming, and related disciplines, provides an attractive opportunity for the Congress to capitalize on CPB's experience. One organizational model is the Annenberg/CPB Project, a semi-autonomous, dedicated fund. Under this model, the Project handles program priorities and funding decisions with administrative support provided by CPB. The establishment of a similar model by the Congress and the reliance on other CPB resources would serve to dedicate further maximum resources toward children's programming.

CPB is accountable to Congress for the expenditure of federal funds, yet still has a mandate to ensure protection from governmental interference in all programs funded

[2]Those sites include New Orleans, Louisiana; Cleveland, Ohio; Columbia, South Carolina; Dallas, Texas; Kansas City, Missouri; Los Angeles and San Francisco, California; Madison, Wisconsin, Miami, Florida; and, Seattle, Washington.

by the Corporation. As the Chairman knows, CPB is a private, nonprofit, nongovernmental corporation, not a federal agency. Under the Public Broadcasting Act of 1967, CPB is removed from the government, thus assuring the public that editorial and artistic freedom are protected in programming funded with their money, while at the same time assuring Congress that the fund with which it is entrusted are being spent responsibly. In principle of avoiding pressure by outside funders on the editorial and artistic freedom of producers is anchored in the First Amendment. By design, CPB and public broadcasting have developed a structure, policies, and procedures to protect the integrity and freedom of program decisionmaking that cannot be duplicated within a government agency.

To ensure effectiveness, CPB also believes that any legislation should provide expressly for the development of training programs to enable day care providers and teachers to learn methods and exchange ideas about how programming and materials can be used most effectively. In addition, the legislation should emphasize the importance of the role of the parent or day care provider in preparing a child to learn and underscore the critical nature of their involvement in school readiness.

Finally, it would be essential that CPB have the flexibility to determine the most effective means of distribution to the widest audience, and to have the ability to employ new technologies as they become available. Since 1978, Congress has found that it is "in the public interest to encourage the growth and development of nonbroadcast telecommunications technologies for the delivery of public telecommunications services," (47 U.S.C. 396(a)(2)) including, but not limited to, coaxial cable, optical fiber, broadcast translators, cassettes, discs, microwave, or laser transmission through the atmosphere.

Consistent with that provision, the Senate included an amendment to the CPB reauthorization legislation when it was considered earlier this year which would require CPB to report on the potential distribution options for ready-to-learn programming within 90 days of enactment. CPB already has begun to prepare this report. Among the possible avenues for distribution which may be discussed in the report are use of the public television satellite to distribute programming to stations, as well as to schools or homes that have or can acquire downlink equipment; video cassette distribution; direct broadcast satellite distribution to schools or homes; and cable distribution.

V. CONCLUSION

As this nation commits itself to improving school readiness, we must heed the Carnegie report's words: "* * * there is no way for a national ready-to-learn campaign to succeed fully unless the television industry becomes an active partner." Because of the scarcity of funds available for children's programming, your legislation is an important factor in this campaign. Although CPB has set the standards for the identification and support of quality educational children's programs, the Corporation has never had, and does not currently have, sufficient funds to target an intensive effort such as this that is needed to ensure school readiness for our nation's future leaders.

The Carnegie report states, "If America hopes to achieve its first education goal, television must become part of the solution, not part of the problem." The Corporation for Public Broadcasting has been part of this solution for the past 25 years, but unless significant resources are targeted toward early childhood education, the Corporation will be forced to continue to turn away quality programming proposals for lack of sufficient funding. It is the children who lose under these circumstances, and our nation's future is threatened when our children suffer.

In closing, I would like to commend you, Mr. Chairman, for introducing legislation and holding this hearing on this important issue. Thank you for inviting me, on behalf of the Corporation, to share my thoughts with you. We are eager to be of further assistance.

DVBB ORAL TESTIMONY FOR SENATE COMMITTEE

Chairman Kennedy and Members of the Committee: I am David Britt, President/Chief Executive Officer of Children's Television Workshop. We at CTW applaud your leadership in holding these hearings today. The legislation proposed by Senator Kennedy responds to an urgent need. It focuses attention on using the media and technology in a variety of ways to serve America's children. With proper programming and support, CTW's experience shows that technology can make vital contributions. So we welcome this initiative and look forward to its progress.

I thought it would be useful to share with you some of the lessons CTW has learned in using media technology to serve children's education, and also to offer some thoughts you may want to consider as you move ahead with this initiative.

As you may know, CTW has about 25 years' experience in using mass media to educate children. We started with *Sesame Street*, which helps preschoolers get ready for school, both developmentally and intellectually, *3-2-1 CONTACT* and *Square One TV*, our series for eight- to twelve-year olds, help provide elementary-school children with informal education in, respectively, science and mathematics.

Research shows that children do learn from television. This is amply documented here in *The Power of Television to Teach*, which I would like to include in the record.

We have also proven that mass media, if it is widely distributed, can be a cost-effective educational tool, costing less than a nickel per viewing. We have been able to make our programs accessible to everyone through the support of public television's infrastructure.

However, the world has changed a great deal since our founding in 1968. Today, our children's educational needs are greater than ever. But more and more often, children are in child care rather than at home. At the same time, technology has become much more accepted as an educational tool in institutional environments.

To adapt to these changes, we at CTW are working on ways to make education available via broadcast and VCR technology. One example is the *Sesame Street* Preschool Educational Program Initiative, or *Sesame Street* PEP. *Sesame Street* PEP's goal is very simple: to help motivate children to learn. This is done by combining the proven educational power of *Sesame Street* as broadcast, with activities and storybook reading.

We have set up *Sesame Street* PEP as a partnership among public television stations, child care providers, other community organizations, public and private funders, and CTW. We at CTW produce *Sesame Street* and related materials, and provide training for care providers, in both family homes and organized facilities, in the use of PEP's components with young children.

The net result is that providers, particularly family child care providers, are better able to use television constructively—not just as a babysitter. Most importantly, they are better equipped to stimulate preschoolers' natural curiosity, to help prepare them for school. For many, *Sesame Street* PEP training is the first they have ever had. One provider told us that afterwards, she felt like an educator, not just a caretaker.

Sesame Street PEP began as a successful one-year pilot project in Dallas, Texas. Since the fall of 1991, the initiative has expanded to 55 partnerships in 29 states.

Sesame Street PEP meets local needs. For example, in Muncie, Indiana, public television station WIPB has brought *Sesame Street* PEP to the preschool program of the Miami Tribal Nation, and through Head Start, to most of the disadvantaged children in the county where the station is located.

Right now, *Sesame Street* PEP has reached about 45,000 children across the country. With CPB lead funding, we aim to bring PEP to five million children across the United States by 1996—half the number who will be in child care by then.

To reach older children, we have seized opportunities to adapt material from our science and mathematics programs for use in schools and afterschool programs. For afterschool programs, we have developed kits that combine videotape material from our science and mathematics series with entertaining and educational hands-on activities and games.

We train club leaders and after school program personnel to use these kits. Our kits have been adopted by state-funded afterschool programs in Hawaii and California, and are in use in over 45 states.

For example, in Los Angeles, the kits are being used in a community/based afterschool program, L.A.'s Best, which reaches close to 5,000 students aged five to eleven years in neighborhoods vulnerable to gangs and poverty, including south-central Los Angeles. Recently, L.A.'s Best held a city-wide science competition. The winners, two girls who won a week at the U.S. Parent/Child Space Camp in Huntsville, Alabama, were inspired by our kit on space adapted from *3-2-1 CONTACT*.

As interactive technologies—computer software and interactive video—become more a part of children's lives, we have looked for ways to put these media to educational use. For example, we were the first to produce educational games for Nintendo.

We see great potential in educational multimedia—combining video and high-quality sound with interactivity. We are working on products for schools as well as mass market.

But the real breakthrough will come when it is possible to "broadcast" interactive products. This will happen eventually. To that end, we are exploring ways of doing this through phone lines, cable broadcasting, and satellite distribution.

As you develop educational policy relating to today's technology—such as television—as well as tomorrow's, I'd like to make a few general observations. It is clear that we will have available a variety of distribution systems—cable, fiber optics, direct satellite broadcast. Therefore, it is crucial that legislation be highly flexible, and not wedded to any one technology, so that we can take advantage of new systems as they appear.

As new systems evolve, we must insure that children, our most important national resource, are not left out. Typically, the harsh economics of the commercial marketplace mean that children's education gets as-

signed a low priority. It needs to be our first priority.

America's children deserve the best possible programming that contributes to their education and healthy development. To ensure that this is so, programming and related services should be evaluated regularly for appeal and educational effectiveness.

Mr. Chairman, experience has taught us that if education is not included at the outset, it is difficult, if not impossible, to add it later. Again, thank you for your initiative in this important area, and for the opportunity to speak to you today.

TESTIMONY OF BRIGID SULLIVAN

Thank you, Senator Kennedy. I am the vice-president in charge of children's programming at WGBH-TV in Boston, As you may know, WGBH is one of the nation's most respected public television stations, having produced such award-winning series as "NOVA", "Frontline", "Masterpiece Theaters", and "The American Experience."

I have been responsible for developing the children's programming department since 1985, when WGBH made the decision to commit one million dollars of its own resources to children's television. We made this commitment because our audience ranks quality programming for children as its highest priority.

Since 1985, we have developed and produced three major television series for children "Degrassi Junior High," "Long Ago and Far Away", and "Where in the world is Carmen Sandiego?" These series have won numerous national and international awards, including the Emmy, the International Emmy, the Academy Award, and Prix Jeunesse. They have been praised by parents, teachers, and our most important critics—children. As one 8-year old from Wisconsin wrote, 'Carmen Sandiego' is wonderful. I get to know where places are, even though I'm only eight. Your show helped me place second in my school's geography bee. The kid that beat me was a sixth-grader." We've received thousands of similar letters over the past year. When 1 in 7 Americans can't locate the United States on a world map, this is no small victory.

In his review of "Long Ago and Far Away," TV critic for the New York Times, John O'Connor, wrote that the series made him sad, because it reminded him of what television could be for children, but wasn't. I quote, "It's unmistakable quality makes you keenly aware of the generally woeful state of children's television." O'Connor went on to call "Long Ago and Far Away" an oasis in the parched realm of programming for children.

None of these programs could have been launched without federal money. But we also need federal money to sustain these programs once they're on the air. As a producer, I can tell you how frustrating it is to create an innovative, educational children's series, only to have it cancelled for lack of funds. "Long Ago and Far Away," for example, recently lost its PBS and CPB funding. Why? Because those agencies need to spend their limited resources on new programming, which means there's nothing left for those programs already on the air.

We're often asked why we can't get corporations to provide more funding. Experience shows us that children's television depends upon a mix of funders—government, foundations, corporations and individuals. It routinely takes our staff three or more years to put this mix together. Corporate support is essential to any funding strategy, but it's very difficult to obtain this support for children's programming. The truth is, there aren't many financial advantages to investing in children's television. Corporations have little to gain other than good will. Those corporations which do invest provide only partial funding, and often bow out after a year or two.

Our newest series, *Carmen Sandiego*, is a case in point. We were fortunate in getting two corporate underwriters. But this money came in after *Carmen* was ready for broadcast. Corporations are rarely willing to give us seed money—in effect, invest in something that only exists on paper. Yet it took us three years, and close to one million dollars, to develop *Carmen*. We needed, and thankfully got, federal funds which enabled us to do the research, work with curriculum advisors and the National Geographic Society, and produce and evaluate a pilot program. If federal startup money hadn't been available, *Carmen Sandiego* would not be on the air. It's that simple.

I was invited here today because I am a television executive. But I also want to speak to you as a mother. My son is 10 years old. Like most parents in this country I have experienced enormous disappointment in some of the major institutions serving our children. The public schools and television are two of these institutions. As a mother who needs to work, I cannot hope to fully compensate for crowded classrooms and underpaid teachers—nor is it possible to eliminate television from my son's life.

That's because television is—after family and, I would argue, before school—most children's primary window on the world. The average 11 year-old watches more than 4 hours of television every day. They may have difficulty reading or writing, but when it comes to TV, children are precocious and passionate. At WGBH we accept that children love television, but we try to take their passion and direct it toward something worthwhile. We know we must entertain children, and we do, but our mission is to inspire, challenge and motivate.

When federal funds come to WGBH, it's not just Massachusetts viewers who benefit, but viewers in every state of the country. Our children's programs are distributed through the public broadcasting service, and reach 98% of America's households. But federal dollars not only help us produce programs, they allow us to increase their educational impact. Every program we produce comes with a variety of curriculum materials—from teacher's guides and activity books to interactive video discs and home computer programs. Over the years, we've received thousands of letters from teachers and librarians, describing their success in using these materials. They tell us that our programs motivate even the most apathetic students.

Federal dollars have even helped us launch a ground-breaking effort to increase literacy and strengthen families. It's called the family literacy alliance, and it uses children's programming to stimulate an interest in reading and writing. We've taken *Long Ago and Far Away* to some of the neediest children in this country—children whose parents are in prison, in homeless shelters, in hospitals. I can't tell you how moving it is to see mothers and children watching the series, discussing the stories, reading together for the first time in their lives.

I want to close by saying how pleased we are that you're preparing legislation to increase government funding for children's television. We've spent more than seven years trying to find new and creative ways to fund children's programs. We've held conferences, talked to experts, hired consultants. What we always come back to is the absolute necessity of receiving government support. Thank you for turning your attention to this crucial issue. I'll be glad to answer any questions you may have.

THE CARNEGIE FOUNDATION
FOR THE ADVANCEMENT OF TEACHING,
Princeton, NJ, August 4, 1992.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR SENATOR KENNEDY: I enthusiastically support your proposed legislation, the Ready to Learn Television Act. If enacted, this bill could contribute significantly to the school readiness of children—the nation's first education goal. Kindergarten teachers report that more than one-third of the nation's children come to school not well prepared to learn. Your legislation is a bold constructive response to this crisis.

Parents are the first and most essential teachers, but television is profoundly influential, too. The reality is that the nation's nineteen million preschoolers watch billions of hours of TV every year. What they see is often more degrading than enriching.

In our recent Carnegie Foundation report, *Ready to Learn: A Mandate for the Nation*, we cite television's negative impact on children. But we also celebrate successes—like Sesame Street—that contribute positively to the lives of preschoolers. We conclude that if all children are to come to school well prepared to learn, television has a crucial role to play.

Asking commercial stations to offer one hour of children's programming every day is a good beginning. I'm especially pleased that your legislation also supports our proposed Ready to Learn Children's Channel. We have cable channels for weather, sports, news, comedy, and for selling jewelry. Is it unthinkable that this nation could have one channel dedicated exclusively to little children?

Again, I applaud the Ready to Learn Television Act—a creative new initiative that would help the children, improve the schools, and contribute to the building of a better nation.

Cordially,

ERNEST L. BOYER,
President.

READY TO LEARN

(By Ernest L. Bayer)

THE FIFTH STEP: TELEVISION AS TEACHER

In the summer of 1938, essayist E. B. White sat in a darkened room and watched transfixed as a big electronic box began projecting eerie, shimmering images into the world. It was White's introduction to television and in response he wrote: "I believe television is going to be the test of the modern world, and that in this new opportunity to see beyond the range of our vision, we shall discover either a new and unbearable disturbance of the general peace or a saving radiance in the sky. We shall stand or fall by television—of that I am quite sure."[1]

Next to parents, television is, perhaps, a child's most influential teacher. We therefore recommend in this chapter that parents guide the viewing habits of their children. We urge as well that commercial networks air at least one hour of children's programming every week, with school-readiness messages interspersed. Third, we propose that a

Footnotes at end of article.

Ready-to-Learn Cable Channel be created and, finally, that a national conference be convened to explore how, during the decade of the nineties, television can contribute to the educational enrichment of preschool children.

The amount of time children spend watching television is awesome. A six-month-old infant, peering through the rails of a crib, views television, on average, about one and a half hours every day. A five-year-old watches an hour a day more. By the time the child sets foot in a kindergarten classroom, he or she is likely to have spent more than four thousand hours in front of this electronic teacher. All told, the nation's nineteen million preschoolers watch about fourteen billion hours of television every year.[2]

Television sparks curiosity and opens up distant worlds to children. Through its magic, youngsters can travel to the moon or the bottom of the sea. They can visit medieval castles, take river trips, or explore imaginary lands. Researcher Genevieve Clapp wrote, "Television has opened to children worlds that have been inaccessible to previous generations. Science, history, literature, music, art, and life in other countries are available at the press of a button."[3]

Television began with such promise. In the November 1950 issue of Good Housekeeping one enthusiastic mother wrote: "By and large I think that television is Mama's best friend * * * [and] Kukla, Fran, and Ollie are one cogent reason. * * * [Television] widens horizons. Surprisingly often, it brings into the home good plays, competently acted."[4] Further, this mother noted, an inspired television teacher, Dr. Roy K. Marshall, talks about "earthquakes, the solar system, nuclear fusion. * * * Seeing what he can accomplish in fifteen minutes proves the great potentialities of television in the field of education."

No one can deny television's great potential, but over the past thirty years, commercial television's great promise has faded from the screen. This multibillion dollar industry has decreed that the airwaves are overwhelmingly for adults, not children. What today's children actually encounter every weekday afternoon is not Kukla, Fran, and Ollie or a latter-day "Dr. Marshall," but enough soap operas to flood a laundromat. Edward Palmer, author of Television and America's Children, has said "* * * It is economically irresponsible that we fail to use television fully and well to help meet nationwide educational deficiencies in all key school subjects."[5]

On Saturday morning, during the so-called "children's hour," youngsters are served a steady diet of junk-food commercials[6] and cartoons that contain, on average, twenty-six acts of violence every sixty minutes.[7] Newton N. Minow, former chairman of the Federal Communications Commission, recently described television as "the most important educational institution in America. All of television is education," he said. "The question is, what are we teaching and what are we learning?"[8]

According to kindergarten teachers, children are learning precisely the wrong things, and the blur of images shortens attention span and reduces learning to "impressions." One teacher remarked: "I feel I have to tap dance to keep their interest. Just lecturing is a sure groaner. Students just want to be passive viewers. It's frustrating to have to be ABC, CBS, and NBC when I really want to be PBS and NPR." Another observed, "TV watching must be curbed. Kids no longer know how to play basic kid games." A third wrote: "Television has taught children about 'Ninja Turtles,' but they have no idea what real turtles are. TV is a shocking case of child neglect."

Psychologist Daniel Anderson, after exhaustively examining the research about television's impact on the mental development of children, concludes: "Although there are questions about the degree, there's no question that television promotes violent behavior. Kids do absorb messages from television shows, but that doesn't make them good judges of the messages they're absorbing. Right now, they're showing kids a lot of violent behavior and that's reflected in kids' attitudes and outlooks."[9] A teacher told us: "I really believe that TV-watching stimulates aggressive behavior and decreases the ability of children to play together without some form of fighting."

Inga Sonesson, a sociologist at Sweden's University of Lund, monitored the behavior and television-viewing tastes of two hundred children over a ten-year period. "We found," she wrote, "a clear and unmistakable statitical correlation between excessive television and video viewing on the one hand and the development of antisocial behavior and emotional problems on the other." Sonesson reported that six-year-olds who watched less than two hours of television daily were far less likely than those who watched more to develop learning difficulties or emotional problems. As to those who logged more television time, she noted: "Teachers reported that these were the children who were more aggressive, more anxious, and had greater problems maintaining concentration."[10]

Television's impact on children depends, in large measure, on whether parents control the dial. Most programs simply are not meant for little children, yet, in many homes, the television is on all day long. According to a Harvard University study, 70 percent of today's parents feel that children are watching too much television. Although 40 percent of parents believe that such viewing has a negative effect on their kids, pediatricians at the University of California found that barely 15 percent of parents with children between the ages of three and eight actually guide their children in selecting programs (table 11). Two-thirds do not frequently discuss program content with their children, and 68 percent often use television to "entertain."[11]

Table 11.—Parental Involvement in children's television viewing

	Percent
Parent who guide their children's selection of programs	15
Parents who frequently discuss programs with their children	38
Parent who use TV as children's entertainment	68

Source.—Howard Taras et al., "Children's Television-Viewing Habits and the Family Environment," American Journal of Diseases of Children, vol. 144 no. 3 (March 1990): 359.

Occasionally, parents do set rules; some have even banned television altogether. A national campaign called "TV Busters," launched by a teacher in Plymouth, Minnesota, asks students to stop watching television for twenty days—except for news and educational programs—and to keep a record of what they do instead. The results are fascinating. When the television is turned off children spend more time "riding bicycles," "playing soccer," or "raking leaves with their fathers." Others read. To date, 37,000 children in 154 schools in 39 states have become "TV Busters." This project has been endorsed by Minnesota Governor Arne Carlson, who last year proclaimed one week in October "TV Buster Week." Why not try this in every state?

With selective viewing, television can contribute richly to school readiness. But for this to happen parents must be well informed and must guide the viewing habits of their children just as they control decisions about eating and sleeping. Peggy Charren, founder of Action for Children's Television, has been an articulate, effective voice for parent involvement. "PBS has made preschool programming a focus of their efforts," she said, "but outreach programs for audience development have not been funded. Parents and caregivers have to know about the new programs and turn them on for their children. Parents need to know about the videos that are made just for kids."[12] Charren suggests that libraries and Head Start programs provide information about children's programming.

Clearly, more and better guidance is required. We recommended, therefore, that a Ready-to-Learn Television Guide be published, at least monthly, listing programs on both commercial and cable channels of value to preschoolers. Recently, Public Broadcasting Service and forty-three cable companies joined to publish a monthly television guide for junior and senior high school students. The magazine, Cable in the Classroom, which lists programs by topic, is available to schools without charge. Let's expand this idea and create a guide for preschoolers.

ABC publishes the "ABC Learning Alliance," which is designed to "make television a true partner in learning."[13] Targeted to teachers, librarians, parents, and students, the planner describes new television programs of special interest to young people and their families. Suggested grade levels and content areas are listed, along with ideas for using television in the classroom. ABC also offers a viewer's guide for its successful "Afterschool Special," a series that deals with contemporary issues. The guide includes questions for group discussion plus a list of relevant books on the topic recommended by the American Library Association. Likewise, other commercial stations as well as PBS have prepared viewer guides to special programs. These publications, designed for teachers and parents of older students, suggest the kind of guide that's needed for preschoolers.

Parental guidance is imperative, but better children's programming is needed, too. The television industry simply must acknowledge the powerful impact television has on children and accept its responsibility to its youngest audience. Tricia McLeod Robin, president of the National Council for Families and Television, says "parents are desperate for help and television should not just be a partner in the ready-for-school campaign; it should be the leader."

Will this be the decade when television's early promise as a "saving radiance" for children is finally fulfilled?

The Federal Communications Act of 1934 sought to ensure that the airwaves would serve the best interests of all people, including children.[14] But since then, only a few truly creative steps have been taken on the commercial networks. For years, "Ding Dong School" and "Captain Kangaroo" greeted millions of little children, who heard good conversation, learned exciting lessons about life, and were enthralled that someone was talking directly to them. Sadly, these "ready-to-learn" programs fell victim to a "bottom line" mentality. Profits were placed ahead of children. It is inexcusable

that, today, no commercial network airs a single regularly-scheduled educational program for children.

PBS, on the other hand, has been more attentive to young viewers. For over a quarter of a century, "Sesame Street" has led the way. Joan Ganz Cooney, who started this remarkable program in 1968, said that the aim of "Sesame Street" was "to promote the intellectual and cultural growth of preschoolers."[15] Featuring Jim Henson's Kermit the Frog, Big Bird, the Cookie Monster, and a host of creative personalities both real and imagined, "Sesame Street" is today viewed by millions of children in more than 80 countries. This historic, pioneering effort has contributed dramatically to school readiness, and, as a splendid program, enhances learning, especially of the basic skills.

"Mister Rogers' Neighborhood" also illustrates television's "promise fulfilled." Children who spend time with Mister Rogers develop feelings of self-worth, better understand their world, learn essential skills and stretch their imaginations. They're more likely to help another child.[16] A recent study at day-care centers in Ohio found that "Mister Rogers' Neighborhood" helps children become more cooperative, self-confident, and creative. Viewers, they found, are less aggressive than nonviewers and make greater gains in verbal skills. Teachers also noted that children become better conversationalists after viewing Mister Rogers.[17]

More good news: The Corporation for Public Broadcasting recently announced funding for a new thirty-minute preschool series, "The Puzzle Factory," which will teach socialization and life skills. Slated to air by 1993, "The Puzzle Factory" will feature multicultural puppets at work in a make-believe puzzle workshop, whose stories will encourage children to make choices, take risks, and experiment.[18] Celebrity guest stars, animal mascots, and a variety of other characters will appear. According to executive producer Cecily Truett: "This is a people show, and these are "human being' lessons. The essence of this program is that people are individuals. Each of us is unique."[19]

"Reading Rainbow," another PBS program, introduces young television viewers to a book, presenting the story in rich detail. Several years ago, "Ramona," a series based on the stories of award-winning children's author Beverly Cleary, won rave reviews and a huge following. "Shining Time Station," another award-winner, featured former Beatle Ringo Starr as a train conductor. Action for Children's Television describes the show as "basic life lessons gently taught in an enchanted setting." "Long Ago and Far Away," a series featuring children's literature from foreign countries, included shows based on The Pied Piper of Hameline, The Wind in the Willows, and Russian folktales. The response was tremendous: teachers deluged WGBH in Boston with requests for its teacher's guide.

"Barney and Friends," a new program for preschoolers scheduled for spring of 1992, features a big purple dinosaur who has adventures with his young friends in a day-care playground and classroom. Two Dallas mothers on extended maternity leave created "Barney" when they found it impossible to find good programs for their own kids. Shari Lewis's "The Lamb Chop Play-Along" is also scheduled to premiere soon. The show is designed to encourage young children to sing, count, rhyme, and hop along with Shari and Lamb Chop.

PBS surely has been a pacesetter in children's programming. Still, commercial networks, which profoundly influence the lives of so many children, also have a role to play in helping America achieve its education goal. We recommend, therefore, that each of the major commercial broadcast networks—CBS, NBC, ABC, and Fox—offer, at an appropriate time, at least one hour of educational programming every week. Is it too much to ask each network to devote just sixty minutes of quality television every week to children?

The Children's Television Act, landmark legislation passed by Congress in 1990, signals hope. As a condition of license renewal, the new law directs stations to provide programming specifically designed to serve children, limits the amount of advertising time, establishes procedures for public accountability, and relies heavily on citizens to monitor local stations to assure compliance. Action for Children's Television has prepared a video—"It's the Law!"—to encourage just such community involvement. PBS commentator Bill Moyers declared: "If the Children's Television Act does not make a difference, we will have lost perhaps the last opportunity to save children from mindless mass communications. * * *"

A National Endowment for Children's Educational Television also has been created. We urge that Congress increase appropriations to the endowment to $20 million to fund high-quality programs, especially for preschoolers. Further, manufacturers of children's products—such as toys, cereals, and fast foods—should devote at least some of their profits to educational television. Recently, the Ronald McDonald Family Theater presented "The Wish That Changed Christmas," based on Rumer Godden's The Story of Holly and Ivy. Host Ronald McDonald made live appearances during breaks to reinforce story ideas and to encourage families to discover books at their local libraries. Linda Kravitz, assistant vice-president for marketing at McDonald's, says: "With literacy in America becoming an increasingly important issue, we believe that encouraging kids to read more is an appropriate role for McDonald's." This illustrates precisely what we propose.

The new Act also limits commercials in children's programs to ten and a half minutes each hour on weekends, and twelve minutes weekdays. Cutting commercial time may reduce the bad, but fail to advance the good. While older children show less interest in commercials, three- and four-year-olds often show an increase in attention.[20] And what do they see? According to one observer, "A child watching television programs for children sees ads for sugared cereals, candy, snack foods, and sugared drinks in an unceasing barrage and learns nothing of the essentials for a balanced diet."[21] Peggy Charren explains the dilemma best: "* * * it seems abundantly clear that almost everyone in the television business is still trying to figure out how to benefit from children instead of how to benefit children."[22]

While focusing on the length of commercials, let's also consider content. Specifically, every sixty-minute segment of children's programming on commercial networks should include at least one Ready-to-Learn message addressing the physical, social, or educational needs of children. Why not have colorful segments on nutrition, exercise, and exciting books? Why not illustrate highlights from history, interesting scientific facts, or lessons on social confidence and getting along with others? Why not feature a kindergarten teacher describing a child's first day at school?

Commercial networks have occasionally made such a commitment. From 1973 to 1985, for example, ABC aired "School House Rock," innovative mini-programs presented during the Saturday morning cartoon lineup.[23] Through music, rhyme, and animation, children learned about grammar, math, the human body, and American history in five-minute segments called "America Rock," "Multiplication Rock," "Grammar Rock," and "Science Rock." Millions of viewers, now young adults, still remember the "Conjunction-Junction" song, and the history lessons taught by an animated Thomas Jefferson.

Today, NBC airs "The More You Know," public service messages aimed at parents and children. In ten- and thirty-second spots, celebrities promote learning, parental involvement, teacher appreciation, and discourage students from substance abuse.[24] Children's Action Network and the American Academy of Pediatrics recently prepared "commercials" aimed at parents. They feature Robin Williams and Whoopi Goldberg, who urge parents to have their children immunized. Possibilities for ready-to-learn messages like these are almost limitless.

Cable television, a powerful, fast-growing part of the industry, also offers great possibilities for the education of young children. We have cable channels devoted exclusively to sports and weather, sex, rock music, health, and around-the-clock news. Why not have one cable channel devoted solely to preschool children—at least one place on the TV dial parents could turn to with confidence, one reliable source of enriching programming all day long? Further, with a Ready-to-Learn channel, day-care directors and preschool teachers could incorporate TV programming into their daily schedules.

Cable channels do occasionally focus on young children. The Disney Channel, for example, features "Under the Umbrella Tree," which teaches preschoolers to use the telephone and doorbell, share with their friends, and help others. "You and Me, Kid" deals with parent-child relationships, and such classics as "Winnie the Pooh," "Babar," and "Pinocchio" make up Disney's preschool line-up. Nickelodeon offers a two-hour block to preschool programs each day, from 10:00 a.m. to noon. "Eureeka's Castle" includes puppets, comedy, music, and adventure. "Sharon, Lois & Bram's Elephant Show" takes its little viewers on adventure trips accompanied by an elephant. "Fred Penner's Place" uses stories, songs, and games to entertain and educate. On the Discovery Channel, children travel to distant places and learn about animals and their habitats. The Learning Channel program "Castles" uses animation and live action. The colorful photography and clear narration capture young viewers.

The Lifetime channel recently began airing "Your Baby and Child with Penelope Leach," which explores developmental changes in children from birth to preschool. Last fall, the Family Channel presented a one-hour special called "Discovering the First Year of Life," and features "American Baby" and "Healthy Kids" on alternate weekday afternoons. Lifetime also features pediatrician T. Berry Brazelton in "What Every Baby Knows" and "An American Family Album," that focus on such issues as discipline, fears, working moms, preparing for a baby, and the child's transition to preschool. "Families need value systems they can believe in," says Brazelton. "This series will

give us a chance to identify value systems in different groups around the country so that parents will have some choices."

Locally produced shows also can be enriching. WCVB in Boston has created "Captain Bob," a grandfatherly man who teaches children to draw and appreciate the environment. "Jabberwocky" uses actors and puppets to entertain and educate three- to six-year-olds each week. "A Likely Story," the newest of WCVB's productions, follows a librarian and her bookmobile on adventures through "The Magic Book," encouraging four- to eight-year-olds to read. WRLK in Columbia, South Carolina, another exceptional station, produced "The Playhouse," a six-part series that emphasizes self-esteem, and "Let's Play Like," a series devoted to imagination. The pilot program recently won a "Parents' Choice" award.

Most encouraging, perhaps, is the way technology itself is changing, offering new power to parents and new learning possibilities to children. Satellites, fiber optics, and laser disks will also be tomorrow's teachers, and videocassettes are already providing learning possibilities for preschoolers. With videocassettes, parents can stop the show for discussion and repeat segments. Excellent titles for children exist and new ones are regularly being added. Bowker's Complete Video Directory 1990 devoted an entire volume to educational videos, many for preschoolers. Further, most libraries have video collections and the American Library Association publishes a brochure entitled, "Choosing the Best in Children's Video." We suggest that every library create a special ready-to-learn video section, so parents can easily identify appropriate titles.

With a dash of optimism, we can see the nineties as a decade when television's promise to our children finally is fulfilled. What is needed now, we believe, is a more coherent policy established not just by government but by concerned citizens and committed leaders in the industry itself. Specifically, we recommended that a National Ready-to-Learn Television Conference be convened. The proposed forum should identify issues vital to children's programming and develop strategies to improve its quality. The promise is to enrich the lives of all children, to give them an exciting new window to the world, with worlds and sounds and pictures that dramatically enhance their school readiness. Newton Minow recently said: "A new generation now has the chance to put the vision back into television, to travel from the wasteland to the promised land, and to make television a saving radiance in the sky."[25] We could not agree more.

FOOTNOTES

[1] E.B. White, "One Man's Meat," Harper's Magazine, vol. 177 (1938), 553.

[2] If nineteen million preschools watch roughly two hours a day times 365 days a year, they watch 14 billion hours of television a year; see Robert M. Liebert and Joyce N. Sprafkin, The Early Window, 3rd ed. (Elmsford, NY: Pergamon Press, 1988), 5.

[3] Genevieve Clapp, Child Study Research: Current Perspectives and Applications (Lexington, MA: Lexington Books, 1988), 71–72.

[4] Bianca Bradbury, "Is Television Mama's Friend or Foe?" Good Housekeeping, November 1950, 58.

[5] Personal communication; see also Edward Palmer, Television and America's Children: A Crisis of Neglect (New York: Oxford University Press, 1988).

[6] "Content Analysis of Children's Television Advertisements," The Center for Science in the Public Interest (Washington, DC; May 1991), reports that over 200 commercials for high-sugar and high-fat junk food appear each Saturday morning.

[7] Diane Radecki, "Cartoon Report," The National Coalition on Television Violence (Champaign, IL; April 1991).

[8] Newton N. Minow, "How Vast the Wasteland Now?", speech, Columbia University, New York, 9 May 1991 (New York: Gannett Foundation Media Center, 1991), 13.

[9] Daniel R. Anderson testified before the U.S. Senate in the April 12, 1989 hearings on "Education, Competitiveness, and Children's Television"; also, he has written with Patricia A. Collins, "The Impact of Children's Education: Television's Influence on Cognitive Development," U.S. Department of Education, April 1988.

[10] Inga Sonession, Förskolobarn och TV [Elementary School children and television], (Stockholm: Esselte Studium, 1979), 206–208.

[11] Howard Taras et al., "Children's Television-Viewing Habits and the Family Environment," American Journal of Diseases of Children, vol. 144, no. 3, March 1990, 357–359.

[12] Personal communication, Peggy Charren, December 1991.

[13] "ABC Learning Alliance: Back-To-School Planner" (New York: ABC Community Relations, CIStems, Inc., 1991).

[14] Liebert and Sprafkin, The Early Window (New York; Pergamon Press, 1988), 41.

[15] Ibid., 219.

[16] Ibid., 232.

[17] Extending "The Neighborhood," to Child Care, Public Broadcasting Foundation of Northwest Ohio, Toledo, 1991, 102.

[18] CPB Report, 18 November 1991, vol. 10, no. 23 (Washington, DC; Corporation for Public Broadcasting).

[19] John Wilner, "Preschool Series to Teach Life Skills," Current: The Public Telecommunications Newspaper, 18 November 1991, 7.

[20] Liebert and Sprafkin, The Early Window, 166.

[21] Ibid., 12.

[22] Peggy Charren, ACT: The First 20 Years, 1988, Action for Children's Television, 1.

[23] Personal communication, Capital Cities/ABC., Public Relations, network programming department, November 1991.

[24] Personal communication, Marcy Dolan, NBC, December 1991.

[25] Minow, "How Vast the Wasteland Now?"

TESTIMONY OF CAROLYN DORRELL, ECPDN PROJECT DIRECTOR

Mr. Chairman, members of the Committee, thank you for the leadership you bring to this important issue and the attention you focus on our Nation's young children, as well as on those individuals who are dedicated to their care and education. It is indeed welcomed. The legislation you propose is carefully drafted to provide dissemination and programming and I commend your efforts.

Reports by the National Governors' Association, the National Commission on Children, as well as the Children's Defense Fund, unanimously affirm new evidence that successful solutions in educational, as well as, social and economic problems must focus on what happens to the young children and their families.

Solutions must include the care givers and the teachers of young children in the myriad arrangements of child care, from family child care homes to Head Start facilities. The extent of their knowledge in early childhood education will determine the quality of the services they provide.

What are the available resources for both the care providers and parents—resources which give valuable information on the sometimes simple but powerful messages adults send children?

We are here today to discuss one resource that is available—telecommunications. Over 10 years ago, the State of South Carolina looked to the resources of South Carolina Educational Television to help provide urgently needed training in child development, early childhood education, and parenting skills. SC ETV purchased televisions and VCR's, videotaped interviews and presentations, and placed them in child care centers across our State. These tapes are viewed on site by staff and parents, providing the only child care training in many areas. SC ETV also produced for-broadcast programs which were both for teachers and parents, giving them vital information on the care and education of children.

The use of video as a training resource has the benefits of showing the viewer important skills and behaviors which are vital to implementing effective educational settings for young children. Parents and providers gain skills and confidence after seeing positive interactions.

The use of these programs has grown beyond South Carolina through distribution and sponsorship by the National Association for the Education of Young Children. Last year over 11,000 videotapes were distributed nationally on topics such as discipline, curriculum, growth, and development. Users included public and private providers, colleges and universities, and the American Red Cross, who used the programs for cost-effective training at the local level.

With this proven experience, SC ETV was successful in securing funding through a demonstration grant from the U.S. Department of Health and Human Services to take advantage of another step in available technology—satellite delivered, interactive telecommunications. The goal of this project, the Early Childhood Professional Development Network [ECPDN], which is modeled after the successful SERC/Star Schools program, is to deliver training to Head Start teaching teams in rural isolated areas who serve American Indians, Alaskan Eskimos, and instream migrants. The training seminars, which are delivered live, incorporate approved curriculum and practices in exemplary Head Start classrooms. There are also interviews with experts, permitting viewers to interact via telephone. The training program consists of 120 contact hours, with a combination of video seminars and audio discussion sessions. The total program meets the training requirements for a Child Development Associate [CDA] credential that will be required for Head Start teachers. Teachers in these isolated areas would not have access to this critical training without ECPDN.

Through live, interactive technology, Head Start can reach the estimated 10,000 staff who require training each year. ECPDN will enhance local training rather than substitute it.

SERC has proven that telecommunications can be an effective tool in reaching students that otherwise would not have access to specialized courses in math, science, and foreign language. Through South Carolina's ECPDN, we can do the same for child care providers.

South Carolina is implementing ECPDN by using existing satellite receive dishes, some are part of the Star Schools grants—others are located at colleges and universities, public television stations, other local government sites, and Indian colleges. However, even a home satellite dish could be used, allowing smaller groups of families and caregivers to participate.

Using the best and most sophisticated resources that our Nation possesses underscores its value and effectiveness. A few examples of the people taking this training are—three Head Start teachers in Hooper Bay, Alaska, an isolated fishing village on the Bering Sea, three Head Start teachers in a rural area of Mississippi, and teachers at an Indian Pueblo in New Mexico. They can have high-quality training delivered right to their neighborhoods. They will surely feel what they are doing is very important.

While others are examining and expanding more appropriate ways of using television directly with young children, South Carolina's

ECPDN is focusing on the use of interactive telecommunications to deliver the best teachers, educational curriculum, and resources to those who need it the most—child care providers. We're reaching them in Alaskan villages, Native American areas, migrant camps, and rural areas across this Nation. With a small investment, we can extend this training to parents and others who care for children in their homes and community centers.

The goal of Ready to Learn for our children requires not only more direct services to children, but a substantial commitment to a telecommunications infrastructure that is already in place. School readiness for our children is one of the most important investments our Nation can make. Early learning is the template for a successful school experience and educational technologies is our Nation's best chance to provide this experience to as many children as possible.

Mr. Chairman, I thank you for your leadership in addressing this issue with your legislation. I am pleased to take any questions you may have.●

Mr. PELL. Mr. Chairman, at the outset of today's hearing, I would like to commend you for your outstanding leadership and initiative in the area of early childhood education. I am pleased to be a cosponsor of this important and potentially far-reaching legislation. What we do in the first years of a child's life has profound and lasting effects on his or her development.

I am sure we would all agree the family is every child's first and most important educator. In this role, television, though cursed by some, has enormous potential to be a positive educational resource. Before the average child steps through a schoolhouse door, he or she has spent over 4,000 hours in front of the television set. Sadly, for most children this time has not been used productively, but in fact, has been detrimental to their cognitive development. With just cause, parents often look at television as an adversary rather than as an aide in the education process.

We do know, however, of valuable programs such as "Sesame Street" and "Mister Rogers' Neighborhood" which have had a positive influence on countless numbers of children. This type of programming has become increasingly rare, though, because of the bottom-line profit demands of most commercial networks. Worse still, this trend seems to be occurring at precisely the time that the need for such programming is growing. Over one-third of all children do not come to school ready to learn, and according to elementary school teachers, the situation is not improving.

The legislation we are introducing today seeks to support the development and distribution of high quality, interactive educational programming. It is a concrete and cost-effective effort aimed at achieving our Nation's first education goal—that all children will begin school ready to learn. I am afraid if we are not successful in reaching this first goal, it will be that much more difficult to reach the others.

Again, I commend the chairman for bringing forth this important legislation. It should be the subject of continued discussion and receive due analysis and consideration. I look forward to working with the chairman on this in the future.

Mr. WELLSTONE. Mr. Chairman, I would first like to welcome the panel of witnesses today. They have all worked hard in their own way toward ensuring that children are as prepared as possible when they enter school. In addition, I would like to commend you, Mr. Chairman, for all your efforts in fighting to better prepare children to enter school.

Earlier this year I worked hard to make sure the Corporation for Public Broadcasting received necessary funding for its fine programming. Unlike any other television station, PBS provides invaluable commercial-free educational programming for children and adults alike. Chairman KENNEDY's proposal to enable the Secretary of Education, in conjunction with public television stations, to distribute educational video programs on a satellite channel will indeed enhance public broadcasting programming.

Television is one of the most powerful communication tools we have—it should be used to pursue higher goals than just entertainment and commercial purposes. I cannot think of a better use for television than as a teacher. With the large amount of television that children watch these days, television could prove to be one of a child's most influential teachers next to his or her parents.

Most American households own a television thus it reaches most families and children without distinguishing between rich or poor or black or white. As inequity among schools and school districts becomes wider and wider, television has the potential to help equalize kids and their educational opportunities.

I must say, however, the use of television and videos certainly should not be the only way in which we help better prepare our children to enter school, but is a powerful option and is one way to start addressing this essential need that the government has ignored for too long.

One of the major problems our educational system faces is the fact that children go to school unprepared to learn. As Congress addresses essential, and long overdue, improvements to our educational system, one of the first and foremost problems to address should be preparing our children to enter school ready and eager to learn. If children begin school with basic educational tools they are much more likely to succeed in school, and, therefore, contribute positively to our economy and lead healthy and productive lives.

Mr. INOUYE. I want to thank the distinguished chairman and ranking member of this committee for inviting me to testify here today. The subject of this hearing, the use of television for education, is a subject that I have been deeply involved in for many years, as chairman of the Communications Subcommittee, as a parent and as a citizen concerned about the future of our children and this great Nation.

Educating this Nation's children is one of our highest priorities. It is personally of great concern to me. Our children are our future and our future is in grave danger. Twenty-three million Americans are illiterate and another 30 million are semi-literate, lacking skills beyond the eighth grade level. This number increases by approximately 1.6 million annually. One out of every eight 17-year-olds is illiterate. Twenty percent of all American workers are illiterate. Illiteracy costs approximately $240 billion annually in lost productivity, crime, accidents, employee errors, training programs, welfare assistance and remedial education programs.

The most effective way to address this problem is to start with our children. Our children are this Nation's most valuable resource, and we need to pay special attention to their needs. Child by child, we build this Nation, and we need to ensure that they are equipped to meet this enormous responsibility.

Children, especially young children, watch television a great deal. You are all familiar with the startling statistic that by the time a child graduates from high school, he or she will have spent more time in front of the television set than in the classroom. American children spend anywhere from 11 to 28 hours a week watching television in their homes. By the time most children reach the age of 18, it is estimated that they will have watched between 15,000 and 20,000 hours of television, while they will have spent less than 13,000 hours in school. Television is thus the child's window to the world. To some reasonable extent, it should not only entertain, but also inform and educate.

At the same time that our children are watching more television, we place an extraordinary load upon the shoulders of our teachers. At one time teachers were highly respected members of the community; unfortunately that is no longer true. Teachers used to be well paid, but they are no longer, especially in comparison to the job we ask them to do. And, today we want them to be, in addition to a teacher, a baby-sitter, a substitute parent, a disciplinarian and much more.

We must invest in our future by devoting more resources to reach youngsters in their prime learning ages. There is an abundance of evidence that technology can be very effective in supplementing children's education both at home and in school. Bridging

the separation between student and teacher through distance learning makes the potential for education limited only by one's imagination.

Public television is one example of how our Federal support can be used to promote the use of television for education. For 30 years, public TV stations have provided their local schools and State educational institutions with technical expertise and quality programs to supplement classroom instruction. Local stations and PBS are harnessing the power of television to improve educational opportunity across the country. Public television reaches over 29 million students in nearly 70,000 schools, grades K through 12, and 1.8 million teachers use public television's educational services. Annually, 1,500 instructional programs, including math and science, are distributed via satellite and many more are distributed by local stations.

Hawaii public television serves as an example of what public broadcasters are doing to serve their communities. Hawaii public television operates the Hawaii Interactive Television Service [HITS], a four-channel, closed circuit, statewide television system used for educational purposes, training, and management conferences. The University of Hawaii offers 60 hours of telecourses and the Hawaii Department of Education offers 35 hours of educational programming on HITS. The HITS system is also used to provide child care training for the Sesame Street preschool project, which is designed to increase the impact of Sesame Street's educational and social messages. HITS is also used by senior citizens to communicate with each other on the other islands.

Public television is not the only provider of educational television programming. In fact, virtually every State has one or more programs using a television, cable, computers, and/or telephones systems to supplement and expand the educational offerings available to students and residents.

The Communications Subcommittee of the Committee on Commerce, Science, and Transportation, held a hearing on the use of telecommunications technology and education last week. There was general agreement that while the use of telecommunications technologies in education is increasing in schools, universities, and homes, there remains a great deal to be done before we reach the goal of using technology to its fullest educational possibilities. There is a need for more programming, equipment, and teacher training.

The legislation authored by the chairman contains provisions to address each of those issues and therefore represents an important step in our efforts to expand the use of television as a teacher. I support the goals of this legislation and hope that we can build on this next Congress to develop a comprehensive plan to more effectively use our limited Federal resources to promote the use of television and other telecommunications technologies for education. In closing, I want to commend the chairman for his initiative and look forward to working with him to achieve our common goals.•

• Mr. COCHRAN. Mr. President, today, I am pleased to join the distinguished Senator from Massachusetts [Mr. KENNEDY] in introducing the Ready to Learn Television Act.

It is alarming that more than 37 percent of 9-year-olds in the United States "lack basic reading skills," according to the most recent Reading Report Card from the National Assessment of Educational Progress.

If we are to make sure that all students meet the six national education goals by the year 2000, we have to start as early as possible in a child's life to fill their natural curiosity and motivation to learn with quality learning experiences.

Today, television is in many instances the most powerful teacher a young child has. In busy households with both parents working, in single parent homes, and crowded daycare facilities, with underskilled providers, television fills a gap created by today's lifestyles.

Public television programs like "Sesame Street" and "Reading Rainbow" have offered young children quality educational programming for over 25 years. But it is time to do more in this area. By taking advantage of the significant number of hours of television most children watch every day, we have a wonderful opportunity to build a foundation for future learning. I believe it is appropriate for the Department of Education to take a more active role in supporting the development of educational television materials.

This bill establishes a partnership between the U.S. Department of Education and the Corporation for Public Broadcasting to develop criteria for educational television programming targeted to the preschool audience, which will then be used as guidelines for the solicitation and selection of projects to be funded. This strategy draws on the strong commitment of Secretary Alexander to support early childhood education and the Corporation for Public Broadcasting's years of expertise in providing young children with quality educational television.

In rural States, like Mississippi, educational television has traditionally helped to offer students opportunities to learn that would not otherwise be available. In fact, Mississippi ETV currently offers six educational networks, providing more than 65 hours of educational programming each day for students, teachers, individuals, and families. On average, Mississippi's elementary and secondary schools offer 7 hours of various course instruction every school day. This bill will expand the educational programming available to preschool children.

Another strong component of this bill is that it will offer parents, teachers, libraries, and daycare providers with specially designed supporting materials to enhance the value of the television programming. The bill authorizes $50 million for the development and dissemination of quality preschool educational programs for public television. It is my hope that this Federal investment will encourage and leverage greater corporate and other private support for more good television for the youth of America.

I urge Senators to support this bill.•

• Mr. WELLSTONE. Mr. President, I am pleased to join the distinguished chairman of the Labor and Human Resources Committee, Senator KENNEDY, and other members of his committee, in introducing the Ready to Learn Television Act of 1992.

Earlier this year I worked hard to make sure the Corporation for Public Broadcasting received necessary funding for its fine programming. Unlike any other television station, the Public Broadcasting System, funded through the Corporation for Public Broadcasting, provides invaluable commercial-free educational programming for children and adults alike. The Ready to Learn Television Act of 1992 would enable the Secretary of Education, in conjunction with public television stations, to distribute educational video programs on an educational satellite channel and will indeed enhance public broadcasting programming.

Television is one of the most powerful communication tools we have—it should be used to pursue higher goals than just entertainment and commercial profits. I cannot think of a better use for television than as a teacher. With the large amount of television that children watch these days, television could prove to be one of a child's most influential teachers next to his or her parents.

Most American households own a television, and thus it reaches most families and children without distinguishing between rich or poor or black or white. As inequity among schools and school districts becomes wider and wider, television has the potential to help equalize kids and their educational opportunities.

I must say, however, the use of television and videos certainly should not be the only way in which we help better prepare our children to enter school, but it is a powerful option and is one way to start addressing this issue that the Government has ignored for too long.

One of the major problems our educational system faces is the fact that children go to school unprepared to learn. As Congress addresses essential,

and long overdue, improvements to our educational system, one of the first and foremost goals to address should be making sure our children are fully prepared to enter school ready and eager to learn. If children begin school with basic educational tools, they are much more likely to succeed in school, and, therefore, contribute productively to our economy and lead healthy and productive lives. After all, the children of today will determine the health and vitality of our country tomorrow.●

ADDITIONAL COSPONSORS

S. 264

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 264, a bill to authorize a grant to the National Writing Project.

S. 316

At the request of Mr. CRAIG, the names of the Senator from Wisconsin [Mr. KASTEN] and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 564

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 564, a bill to direct the Secretary of Defense to undertake the development and testing of systems designed to defend the United States and its Armed Forces from ballistic missiles.

S. 781

At the request of Mr. SARBANES, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 781, a bill to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

S. 878

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 878, a bill to assist in implementing the Plan of Action adopted by the World Summit for Children, and for other purposes.

S. 922

At the request of Mr. DASCHLE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 922, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments made by electric utilities to customers to subsidize the cost of energy conservation services and measures.

S. 1012

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 1012, a bill to authorize appropriations for the activities and programs of the National Highway Traffic Safety Administration, and for other purposes.

S. 1361

At the request of Ms. MIKULSKI, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1361, a bill to remedy the serious injury to the United States shipbuilding and repair industry caused by subsidized foreign ships.

S. 1451

At the request of Mr. BIDEN, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1451, a bill to provide for the minting of coins in commemoration of Benjamin Franklin and to enact a fire service bill of rights.

S. 1673

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 1673, a bill to improve the Federal justices and judges survivors' annuities program, and for other purposes.

S. 1838

At the request of Mr. PRYOR, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1838, a bill to amend title XVIII of the Social Security Act to provide for a limitation on use of claim sampling to deny claims or recover overpayments under Medicare.

S. 1931

At the request of Mr. STEVENS, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 1931, a bill to authorize the Air Force Association to establish a memorial in the District of Columbia or its environs.

S. 1993

At the request of Mr. CONRAD, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Montana [Mr. BAUCUS], the Senator from Washington [Mr. GORTON], the Senator from Washington [Mr. ADAMS], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 1993, a bill to improve monitoring of the domestic uses made of certain foreign grain after importation, and for other purposes.

S. 1996

At the request of Mr. ROCKEFELLER, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1996, a bill to amend title XVIII of the Social Security Act to provide for uniform coverage of anticancer drugs under the Medicare Program, and for other purposes.

S. 2062

At the request of Mr. KENNEDY, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 2062, a bill to amend section 1977A of the Revised Statutes to equalize the remedies available to all victims of intentional employment discrimination, and for other purposes.

S. 2116

At the request of Mr. RIEGLE, the names of the Senator from Hawaii [Mr. INOUYE], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 2116, a bill to improve the health of children by increasing access to childhood immunizations, and for other purposes.

S. 2134

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 2134, a bill to provide for the minting of commemorative coins to support the 1996 Atlanta Centennial Olympic Games and the programs of the U.S. Olympic Committee.

S. 2304

At the request of Mr. SIMON, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 2304, a bill to amend title 18, United States Code, to permanently prohibit the possession of firearms by persons who have been convicted of a violent felony, and for other purposes.

S. 2340

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 2340, a bill to require the transfer of certain closed military installations to the Department of Justice, to transfer certain aliens to such installations, to provide grants to States to assist States and units of local government in resolving certain difficulties relating to the incarceration of certain aliens, and for other purposes.

S. 2385

At the request of Mr. RIEGLE, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2385, a bill to amend the Immigration and Nationality Act to permit the admission to the United States of nonimmigrant students and visitors who are the spouses and children of U.S. permanent resident aliens, and for other purposes.

S. 2387

At the request of Mr. LEAHY, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 2387, a bill to make appropriations to begin a phasein toward full funding of the special supplemental food program for women, infants, and children [WIC] and of Head Start programs, to expand the Job Corps Program, and for other purposes.

S. 2484

At the request of Mr. KASTEN, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2484, a bill to establish research, development, and dissemination programs to assist State and local agencies in preventing crime against the elderly, and for other purposes.

S. 2549

At the request of Mr. MOYNIHAN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 2549, a bill to establish the Hudson River Artists National Historical Park in the State of New York, and for other purposes.

S. 2644

At the request of Mrs. KASSEBAUM, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2644, a bill to require the Secretary of Transportation to require passenger and freight trains to install and use certain lights for purposes of safety.

S. 2661

At the request of Mr. MOYNIHAN, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 2661, a bill to authorize the striking of a medal commemorating the 250th anniversary of the founding of the American Philosophical Society and the birth of Thomas Jefferson.

S. 2667

At the request of Mr. HEFLIN, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 2667, a bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the application of the act with respect to alternate uses of new animal drugs and new drugs intended for human use.

S. 2696

At the request of Mr. DOMENICI, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2696, a bill to establish a comprehensive policy with respect to the provision of health care coverage and services to individuals with severe mental illnesses, and for other purposes.

S. 2697

At the request of Mr. MCCAIN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2697, a bill to provide transitional protections and benefits for Reserves whose status in the reserve components of the Armed Forces is adversely affected by certain reductions in the force structure of the Armed Forces, and for other purposes.

S. 2841

At the request of Mr. D'AMATO, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 2841, a bill to provide for the minting of coins to commemorate the World University Games.

S. 2889

At the request of Mr. BOREN, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2889, a bill to repeal section 5505 of title 38, United States Code.

S. 2914

At the request of Mr. DURENBERGER, the names of the Senator from Idaho [Mr. CRAIG] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 2914, a bill to direct the Secretary of Health and Human Services to make separate payment for interpretations of electrocardiograms.

S. 2918

At the request of Mr. GRAHAM, the names of the Senator from Colorado [Mr. WIRTH], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. RIEGLE], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 2918, a bill to promote a peaceful transition to democracy in Cuba through the application of appropriate pressures on the Cuban Government and support for the Cuban people.

S. 2955

At the request of Mr. WARNER, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Idaho [Mr. CRAIG], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 2955, a bill to amend the Internal Revenue Code of 1986 to improve disclosure requirements for tax-exempt organizations.

S. 3003

At the request of Mr. KERRY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 3003, a bill to amend the Marine Mammal Protection Act of 1972 to authorize the Secretary of State to enter into international agreements to establish a global moratorium to prohibit harvesting of tuna through the use of purse seine nets deployed on or to encircle dolphins or other marine mammals, and for other purposes.

S. 3009

At the request of Mr. DOMENICI, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 3009, a bill to amend title 10, United States Code, to provide for the payment of an annuity or indemnity compensation to the spouse or former spouse of a member of the Armed Forces whose eligibility for retired or retainer pay is terminated on the basis of misconduct involving abuse of a dependent, and for other purposes.

S. 3091

At the request of Mr. GORTON, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 3091, a bill to amend the Public Health Service Act to establish a program to fund maternity home expenses and improve programs for the collection and disclosure of adoption information, and for other purposes.

SENATE JOINT RESOLUTION 242

At the request of Mr. SPECTER, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Missouri [Mr. BOND], the Senator from Colorado [Mr. BROWN], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 242, a joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week".

SENATE JOINT RESOLUTION 278

At the request of Mr. DODD, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from Rhode Island [Mr. PELL], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 278, a joint resolution designating the week of January 3, 1993, through January 9, 1993, as "Braille Literacy Week".

SENATE JOINT RESOLUTION 315

At the request of Mr. SEYMOUR, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of Senate Joint Resolution 315, a joint resolution to designate September 16, 1992, as "National Occupational Therapy Day".

SENATE RESOLUTION 325

At the request of Mr. D'AMATO, the names of the Senator from Ohio [Mr. GLENN] and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of Senate Resolution 325, a resolution expressing the sense of the Senate that the Government of the Yemen Arab Republic should lift its restrictions on Yemeni-Jews and allow them unlimited and complete emigration and travel.

AMENDMENT NO. 2841

At the request of Mr. D'AMATO his name was added as a cosponsor of amendment No. 2841 proposed to H.R. 5518, a bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1993, and for other purposes.

At the request of Mr. GRAHAM the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of amendment No. 2841 proposed to H.R. 5518, supra.

SENATE CONCURRENT RESOLUTION 133—CONCERNING ISRAEL'S RECENT ELECTIONS AND THE UPCOMING VISIT OF PRIME MINISTER RABIN TO THE UNITED STATES

Mr. AKAKA (for himself, Mr. MITCHELL, and Mr. DOLE) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 133

Whereas the Israeli public recently went to the polls to participate in the only fully free and democratic elections in the Middle East;

Whereas, Israel has faced serious outside threats to her existence since 1948 and has never compromised the democratic system upon which the nation was founded;

Whereas, as a result of democratic elections, a peaceful and orderly transfer of power has taken place;

Whereas the elections and debate leading to them demonstrated to the world the openness and vibrancy of Israeli democracy;

Whereas Israel is actively committed to the absorption of close to one million refugees over the next several years;

Whereas Israel remains committed and engaged in the Mideast peace process and is seeking an acceleration of that process; and

Whereas Israeli Prime Minister Yitzhak Rabin will soon visit the United States: Now, therefore, be it

Resolved by the Senate, (the House of Representatives concurring), That the Congress—

(1) congratulates the citizens of Israel on concluding fair and open democratic elections;

(2) welcomes Prime Minister Rabin to the United States and applauds his statements and actions encouraging active participation in the search for peace; and

(3) calls upon all parties in the region to actively and seriously engage in the peace process.

Mr. AKAKA. Mr. President, today I am joined by the distinguished majority leader, Mr. MITCHELL, and Republican leader, Mr. DOLE, in introducing a resolution recognizing the recent democratic elections in Israel and the visit of Israeli Prime Minister Yitzhak Rabin to the United States next week.

We are all well aware that Israel recently concluded free, open, and democratic elections and that the result was a peaceful and orderly transfer of power. We have come to expect, perhaps even take for granted, full democracy in Israel just as we expect orderly and democratic elections in the United States. We must remember, however, that democracy is the exception, not the rule, in the Middle East.

The elections in Israel serve as a reminder how very unique democracy is in that troubled region. We recall what happened in Algeria following their elections; we remain frustrated by the absence of democracy in Kuwait, a country so many of our men and women in the Armed Forces fought to liberate; and we should not forget the comments of King Fahd of Saudi Arabia earlier this spring, when he stated, "The democratic system prevalent in the world is not appropriate for us in this region."

When the people of Israel went to the polls in June to choose a new government, they continued a tradition, engaged in a solemn civic responsibility, which has endured without interruption since the creation of the State of Israel in 1948. Regardless of the numerous wars aimed at her destruction, despite a constant string of terrorist attacks, and in the face of an ongoing economic boycott intended to suffocate our sole democratic ally in the region, Israel has never considered suspending the democratic process.

Mr. President, Prime Minister Rabin will visit this country in a few days. Since his election, he has shown Israel's continued commitment to the peace process by encouraging an acceleration of discussions and working for a quick agreement on an autonomy plan. In office less than a month, he has shown clearly and forcefully through his actions that he and the Israeli people are committed to peace and will work tirelessly to achieve a just and secure peace.

I am certain that all of my colleagues join Senator MITCHELL, Senator DOLE, and myself in congratulating the citizens of Israel on concluding fair and open democratic elections, in welcoming Prime Minister Rabin to the United States, and in encouraging all parties in the Middle East to actively and seriously engage in the peace process.

AMENDMENTS SUBMITTED

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1993

BUMPERS AMENDMENT NO. 2881

Mr. BUMPERS proposed an amendment to the bill (H.R. 5503) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1993, and for other purposes, as follows:

Strike all after the first word and insert the following:

"SEC. . (a) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws or to issue a patent for any mining or mill site claim located under the general mining laws.

"(b) Notwithstanding any other provision of law, any legal action, including an action for declaratory judgment, to challenge the legality of this provision as it applies to patent applications which were filed with the Department of the Interior on or before the date of enactment of this Act and for which all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 390) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36 and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by such date, shall be brought within 6 months after the date of enactment of this Act in the United States Claims Court, which shall have exclusive original jurisdiction over any such action. In addition to the current authority of such Court, United States Claims Court is authorized for the purposes of this section only, to provide declaratory relief. Such action shall be barred unless a complaint is filed within the time specified.

"(c) If the moratorium as it applies to patent applications referenced in subsection (b) of this section is held to be invalid by a final nonappealable decision, subsection (a) shall not apply to such patent applications and such applications shall be processed in accordance with the laws in existence on the day prior to the date of enactment of this Act.".

REID (AND OTHERS) AMENDMENT NO. 2882

Mr. REID (for himself, Mr. DOMENICI, Mr. DECONCINI, and Mr. BRYAN) proposed an amendment to amendment No. 2881 proposed by Mr. BUMPERS to the bill H.R. 5503, supra, as follows:

In lieu of the language proposed to be inserted insert the following:

( ) MINING PROVISIONS.—

(1) PAYMENT OF FAIR MARKET VALUE.—Any person receiving a patent pursuant to the Act commonly known as the Mining Law of 1872 (sections 2319 et seq. of the Revised Statutes) shall pay fair market value for the interest in the land owned by the United States exclusive of and without regard to the mineral deposits in the land.

(2) LIMITATIONS.—

(A) IN GENERAL.—Any land patented after the date of enactment of this Act pursuant to section 2325 of the Revised Statutes (30 U.S.C. 29), section 2333 of the Revised Statutes (30 U.S.C. 37), or section 2337 of the Revised Statutes (30 U.S.C. 42) shall be used only for mineral exploration, mineral development, mining, mineral processing, benefication, or uses reasonably incident to those uses, except with the approval of the Secretary.

(B) REVERSION.—Title to the land referred to in subparagraph (A) shall revert to the United States if the land is used for any unauthorized or unapproved use, and the unauthorized or unapproved use is not discounted within a time period specified by the Secretary (but not earlier than 90 days after the Secretary gives the owner of the land written notice to discontinue the unapproved use) and if the Secretary elects to enforce the reversionary interest. The reversion shall be made effective if the Secretary files a declaration of reversion in the office of the Bureau of Land Management designated by the Secretary of the Interior, and records the declaration in the county recorder's office of the county in which the lands subject to a reversion under this paragraph are situated. Not later than 30 days after recording the declaration of reversion, the Secretary shall serve on the owner of the reverted lands a recorded copy of the declaration, in the same manner that a summons and complaint are served under the Federal Rules of Civil Procedure under title 28, United States Code.

(C) RENOUNCING OF REVERSIONARY INTEREST.—If the Secretary finds that it would not be in the best interest of the United States to exercise the reversion for any reason, including any case in which—

(i) any portion of the lands included in the patent have been used for solid waste disposal or for any other purpose that may result in the disposal, placement, or release of a hazardous substance; or

(ii) continuance of the reverter serves no public purpose,

the Secretary may renounce the reversionary interest of the United States in the lands included in the patent by filing and recording a declaration of renouncement in the same offices in which a declaration of reverter would have been filed.

(D) REQUIREMENT FOR PATENTS.—Each patent to land acquired under section 2325 of the Revised Statutes (30 U.S.C. 29), section 2333 of the Revised Statutes (30 U.S.C. 37), or section 2337 of the Revised Statutes (30 U.S.C. 42) shall state that the patent is subject to the provisions of this subsection.

(3) RECLAMATION.—Any land patented after the date of enactment of this Act shall be subject to the mining reclamation law of the State in which the land is located. In the absence of applicable State mining reclamation law, the land shall be subject to Federal mining reclamation law. Each patent shall recite that as a condition of the patent, the land patented shall be reclaimed to comply with Federal law or to comply with the mining reclamation law of the State in which the land is located.

(4) DEFINITIONS.—As used in this subsection:

(A) HAZARDOUS SUBSTANCE.—The term "hazardous substance" has the same meaning provided the term under section 101(14) of the Comprehensive Response, Compensation and Liability Act (42 U.S.C. 9601 (14)).

(B) SECRETARY.—Unless specifically designated otherwise, the term "Secretary" means—

(i) The Secretary of the Interior with respect to patents issued for lands over which the Bureau of Land Management has jurisdiction; or

(ii) the Secretary of Agriculture with respect to patents issued for lands within national forests.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1993

DANFORTH AMENDMENT NO. 2883

Mr. DANFORTH proposed an amendment to amendment No. 2841 proposed by Mr. GRAHAM to the bill (H.R. 5518) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1993, and for other purposes, as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . EMPLOYEE CONSIDERATIONS IN AIRLINE ROUTE TRANSFERS.

(a) IN GENERAL.—Section 401(h) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371(h)) is amended by adding at the end the following new paragraph:

"(4) Employee Considerations.—

"(A) Consideration of Employment Opportunities.—In reviewing a proposed transfer of a foreign air transportation route certificate, the Secretary of Transportation shall give consideration to assuring employment opportunities for employees of the air carrier transferring the certificate. Those opportunities shall not discriminate on the basis of race, color, religion, national origin, sex, age, or disability. Consideration shall also be given to provisions for seniority integration as provided for in the seniority integration protections specified in Tiger International Seaboard Acquisition Case, CAB Docket 33712.

"(B) Employment Plan.—Upon application for approval of such a certificate transfer, the acquiring carrier shall submit its plan for employment that projects the number of employees of the transferring carrier who will be hired by the acquiring carrier, the crafts and national origin of those employees, and a timetable for implementation of that employment plan.

"(C) Mandatory Findings.—The Secretary may approve the transfer of a foreign air transportation route certificate only if the Secretary makes specific findings that—

"(i) the employment plan submitted under subparagraph (B) does not discriminate on the basis of race, color, religion, national origin, sex, age, or disability;

"(ii) reasonable attempts have been made by the acquiring carrier to provide employment opportunities for employees of the transferring carrier; and

"(iii) the employment plan would not adversely affect the viability of the transaction.

"(D) Evaluation.—Within 1 year after the approval by the Secretary of a transfer of a foreign air transportation route certificate, the Secretary shall conduct an evaluation of the implementation of the employment plan submitted under subparagraph (B).".

(b) DUTY TO HIRE PROTECTED EMPLOYEES.—Section 43(d)(1) of the Airline Deregulation Act of 1978 is amended by striking "10" and inserting in lieu thereof "17".

(c) Effective Date.—The amendments made by subsection (a) shall apply with respect to any application filed after the date of enactment. With respect to any application filed after July 26, 1991, but before the date of enactment, the acquiring carrier must submit the employment plan specified in paragraph (B) and that the provisions in paragraph (D) apply.

BOND (AND OTHERS) AMENDMENT NO. 2884

Mr. BOND (for himself, Mr. NICKLES, Mr. GRAHAM, Mr. WARNER, Mr. LEVIN, Mr. MCCAIN, Mr. HEFLIN, Mr. COATS, Mr. KASTEN, Mr. BOREN, Mr. SEYMOUR, and Mr. MCCONNELL) proposed an amendment to the bill H.R. 5518, supra, as follows:

On page 19, line 17, strike "$18,006,250,000" and insert "$16,899,250,000".

On page 57, strike line 21 through line 25.

On page 58, strike line 1 through "distribute" on line 4.

On page 60, line 20, after "Code;" insert "obligations under section 157 of title 23, United States Code;"

CRANSTON AMENDMENT NO. 2885

Mr. LAUTENBERG (for Mr. CRANSTON) proposed an amendment to the bill H.R. 5518, supra, as follows:

AMENDMENT NO. 2885

At the appropriate place in the bill, insert the following new section:

SEC. . LOS ANGELES METRO RAIL.

(a) REPLACEMENT OF GRANTEES.—Effective on the date of enactment of this Act, the Los Angeles County Transportation Commission (hereinafter in this section referred to as the "Commission") shall replace the Southern California Rapid Transit District (hereinafter in this section referred to as the "SCRTD") as the federal grantee for the Minimum Operable Segment One (hereinafter in this section referred to as "MOS-1") of the Los Angeles Metro Rail project. The MOS-1 Full Funding Grant Agreement dated August 27, 1986, and all other MOS-1 grant documents required under federal law, shall be deemed to be amended, effective on the date of enactment of this Act, to designate the Commission as MOS-1 grantee; and all rights and obligations as MOS-1 grantee shall be transferred to the Commission on that date in accordance with the Memorandum of Understanding for the Transfer of MOS-1 Project, entered into by and between the Commission and SCRTD on June 24, 1992. No action by the Secretary of Transportation or other administrative action shall be required in order for the Commission to proceed to act in its capacity as MOS-1 grantee pursuant to this section.

(b) OBLIGATIONS OF COMMISSION.—Upon becoming the MOS-1 grantee under this section, the Commission shall be responsible for completion of the MOS-1 Project in accordance with the terms and conditions of the MOS-1 Full Funding Grant Agreement and other applicable grant agreements and in compliance with all applicable federal laws and regulations. In addition, the Commission shall remain responsible for all MOS-1 obligations arising prior to the date of enactment of this Act, in accordance with the Commission's Guarantee of Performance to the United States dated April 3, 1990.

(c) AVAILABILITY OF FUNDS.—All funds previously obligated to SCRTD under section 3 and section 9 of the Federal Transit Act, and unexpended on the date of enactment of this Act, shall be transferred to the Commission on such date and shall be available to the Commission to pay costs associated with the completion of MOS-1. Notwithstanding any other provision of law, neither the replacement of grantees under subsection (a) nor the transfer of funds under this subsection shall be considered to be a change in project scope or otherwise result in the deobligation of prior year funds, and all funds transferred to the Commission under this subsection shall be charged to the original appropriation and shall remain available until expended.

(d) DEFINITION.—For purposes of this section:

(1) the terms "Los Angeles County Transportation Commission" and "Commission" shall include any successor to the Commission that is established by or purant to State law; and

(2) the terms "Southern California Rapid Transit District" and "SCRTD" shall include any successor to SCRTD that is established by or pursuant to State law.

(e) Of the funds made available for the Los Angeles Metro Rail project, 45.45 per centum shall be for Minimum Operable Segment-2 and 54.55 per centum shall be for Minimum Operable Segment-3 of Metro Rail. Of the amounts for Minimum Operable Segment-3, an equal one-third share shall be provided for each of the three lines described in section 3034(i)(3) of the Intermodal Surface Transportation Efficiency Act.

At the appropriate place in the bill, insert the following new section:

SEC. . SAN JOSE-GILROY-HOLLISTER COMMUTER RAIL PROJECT.

Section 3035(h) of the Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking in the second sentence all after "one-time" and inserting in lieu thereof the following: "purchase of additional trackage rights and/or purchase of right-of-way between the existing termini in San Jose and Gilroy, California. In connection with the purchase of such additional trackage rights and/or purchase of right-of-way, the Secretary shall either approve a finding of no significant impact, or approve a final environmental impact statement and issue a record of decision no later than July 1, 1994. No later than August 1, 1994, the Secretary shall negotiate and sign a grant agreement with the Santa Clara County Transit District which includes the funds made available under this section for the purchase of additional trackage rights and/or purchase of right-of-way.

SPECIAL RULE FOR TMAS THAT DO NOT CONTAIN AN URBANIZED AREA OVER 200,000 POPULATION

On page 109, line 15, insert "(1)" before "Funds".

On page 109, line 21, insert the following:

"(2) Section 9(m)(1) of the Federal Transit Act (49 U.S.C. App. 1607(a)(m)(1)) is amended striking in the first sentence "urbanized areas of 200,000 or more population" and inserting the following: "transportation management areas established under section 8(i)".

METZENBAUM AMENDMENT NO. 2886

Mr. LAUTENBERG (for Mr. METZENBAUM) proposed an amendment to the bill H.R. 5518, supra, as follows:

On page 12, line 23, strike the period and insert in lieu thereof: ": *Provided further*, That of the funds available under this heading, $500,000 shall be made available to the Cleveland Clinic Foundation to initiate a definitive study to evaluate the human factors related to and/or inherent in pilot error. This study will be carried out in conjunction with Ohio State University.".

LAUTENBERG AMENDMENT NO. 2887

Mr. LAUTENBERG proposed an amendment to the bill H.R. 5518, supra, as follows:

At the appropriate place at the end of title III, insert:

"SEC. . Notwithstanding any other provision of law, funds made available under this Act and previous Acts for the intermodal fuel cell bus facility program under the Federal Transit Administration's Discretionary Grants account shall be transferred to that agency's Transit Planning and Research account and be administered in accordance with section 6 of the Federal Transit Act, as amended."

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1993

SIMPSON (AND LIEBERMAN) AMENDMENT NO. 2888

Mr. BYRD (for Mr. SIMPSON, for himself, and Mr. LIEBERMAN) proposed an amendment to the bill H.R. 5503, supra, as follows:

On page 18, line 24, increase the amount by $600,000.

LIEBERMAN AMENDMENT NO. 2889

Mr. BYRD (for Mr. LIEBERMAN) proposed an amendment to the bill H.R. 5503, supra, as follows:

On page 20, line 21, increase the amount by $115,000.

INOUYE AMENDMENT NO. 2890

Mr. BYRD (for Mr. INOUYE) proposed an amendment to the bill H.R. 5503, supra, as follows:

Insert where appropriate:

SEC. . REMOVAL OF RESTRICTIONS.

(a) PURPOSE.—The United States hereby relinquishes any rights arising from restrictions described in subsection (c), subject to the condition that the real property be used for public purposes in perpetuity, as specified in subsection (b).

(b) IN GENERAL.—The Secretary of the Interior shall execute such instruments as are necessary to remove the restrictions described in subsection (c) that are applicable to the use of the real property consisting of approximately 55.31 acres located in Halawa, Ewa, Island of Oahu, State of Hawaii, being the major portion of the former Halawa-Aiea Veterans Housing Area, and currently known as Aloha Stadium. The removal of the restrictions shall be on condition that the real property be used for public purposes in perpetuity.

(c) RESTRICTIONS.—The restrictions referred to in subsection (b) are those reservations, exceptions, restrictions, conditions, and covenants requiring that the real property referred to in subsection (a) be used in perpetuity for a public park and public recreation area and for these purposes only, as set forth in the quitclaim deed from the United States of America dated June 30, 1967.

RUDMAN AMENDMENT NO. 2891

Mr. BYRD (for Mr. RUDMAN) proposed an amendment to the bill H.R. 5503, supra, as follows:

On page 95, line 16, decrease the number by $750,000.

On page 57, line 12, increase the number by $1,350,000 and on line 13, increase the number by $1,350,000.

BYRD (AND NICKLES) AMENDMENT NO. 2892

Mr. BYRD (for himself and Mr. NICKLES) proposed an amendment to the bill H.R. 5503, supra, as follows:

On page 73, line 22, linetype "on" and insert "or".

NICKLES AMENDMENT NO. 2893

Mr. BYRD (for Mr. NICKLES) proposed an amendment to the bill H.R. 5503, supra, as follows:

(a) Notwithstanding the provisions of section 101(c) of Public Law 98-473, Act of October 12, 1984, 98 Stat. 1849 [25 U.S.C. 123c], the Secretary of the Interior is authorized in his discretion, to pay lawful debts incurred on behalf of the Kiowa Comanche Apache Intertribal Land Use Committee in connection with the construction and operation of the Native Sun Water Park in Lawton, Oklahoma, from funds in the United States Treasury held jointly for the Kiowa, Comanche and Apache Tribes. Provided however that such payments may not exceed an aggregate of $1.3 million.

(b) Prior to exercising the discretion described in section (a), the Secretary or his designee shall provide written notice to the Kiowa Comanche Apache Intertribal Land Use Committee describing with specificity the nature and amount of the obligation(s) the Secretary intends to pay. In the event the Kiowa Comanche Apache Intertribal Land Use Committee does not provide documentation to the Secretary within 30 days justifying why the amount(s) should not be paid, the Secretary may exercise his discretion to pay the obligation(s).

BYRD (AND NICKLES) AMENDMENT NO. 2894

Mr. BYRD (for himself and Mr. NICKLES) proposed an amendment to the bill H.R. 5503, supra, as follows:

On page 46, line 17, reduce the number by $2,271,000.

GRAHAM AMENDMENT NOS. 2895 THROUGH 2899

Mr. GRAHAM proposed five amendments to the bill H.R. 5503, supra, as follows:

AMENDMENT NO. 2895

On page 46, line 17, strike out "$65,904,000" and insert in lieu thereof "$63,633,000".

AMENDMENT NO. 2896

On page 46, line 23, strike out "$31,468,000" and insert in lieu thereof "$31,128,000".

AMENDMENT NO. 2897

On page 47, line 4, strike out "$23,958,000" and insert in lieu thereof "$23,741,000".

AMENDMENT NO. 2898

On page 47, line 8, strike out "$2,260,000" and insert in lieu thereof "$2,215,000".

AMENDMENT NO. 2899

On page 47, line 13, strike out "$2,480,000" and insert in lieu thereof "$2,190,000".

STEVENS AMENDMENT NO. 2900

Mr. STEVENS proposed an amendment to the bill H.R. 5503, supra, as follows:

At page 11, line 24, strike all after "quality standards:" through page 14, line 2 and insert in lieu thereof, the following: "*Provided further*, That notwithstanding any other provision of law, that effective upon the date of enactment of this Act, for fiscal year 1993, for each unpatented mining claim, mill or tunnel site on federally owned lands, in lieu of the assessment work requirements contained in the mining law of 1872 (30 U.S.C. 28–28e), and the filing requirements contained in section 314 (a) and (c) of the Federal Land Policy and Management Act of 1976 (FLPMA) (43 U.S.C. 1744 (a) and (c)), any claimant not meeting the conditions in the following sentence shall pay a claim rental fee of $100 to the Secretary of the Interior or his designee on or before August 31, 1993 in order for the claimant to hold such unpatented mining claim, mill or tunnel site for the year ending on September 1, 1993: *Provided further*, That for fiscal year 1993, any claimant that is producing from 10 or fewer claims in an integrated operating area that has less than 10 acres of unreclaimed surface disturbance from mining activity may elect to either pay a claim rental fee as described in the preceding sentence for fiscal year 1993 or in lieu thereof do assessment work required by the mining law of 1872 (30 U.S.C. 28–28e) and meet the filing requirements of FLPMA (43 U.S.C. 1744 (a) and (c)) on such 10 or fewer claims in such integrated operating area and certify such to the Secretary by August 31, 1993: *Provided further*, That for each fiscal year after fiscal year 1993, for each unpatented mining claim, mill or tunnel site on federally owned lands, in lieu of the assessment work requirements contained in the mining law of 1872 (30 U.S.C. 28–28e) and filing requirements of FLPMA (43 U.S.C. 1744 (a) and (c)), claimants not meeting the conditions in the following sentence shall pay an annual claim rental fee of $100 per claim to the Secretary of the Interior or his designee on or before August 31 of the preceding fiscal year in order for the claimant to hold such unpatented mining claim, mill or tunnel site for the following year beginning on September 1: *Provided further*, That in each fiscal year after fiscal year 1993, claimants that are producing from 10 or fewer claims in an integrated operating area that has less than 10 acres of unreclaimed surface disturbance from mining activity may elect to either pay a claim rental fee as described in the preceding sentence for the year or in lieu thereof do assessment work required by the mining law of 1872 (30 U.S.C. 28–28e) and meet the filing requirements of FLPMA (43 U.S.C. 1744 (a) and (c)) on such 10 or fewer claims in such integrated operating area and certify such to

the Secretary by August 31 of the preceding fiscal year: *Provided further*, That for every unpatented mining claim, mill or tunnel site located after the date of enactment of this Act, the locator shall pay $100 to the Secretary of the Interior of his designee at the time the location notice is recorded with the Bureau of Land Management to hold such claim for the year in which the location was made: *Provided further*, That the coownership provisions of the mining law of 1872 (30 U.S.C. 28–28e) will remain in effect except that the annual claim rental fee, where applicable, shall replace applicable assessment requirements and expenditures: *Provided further*, That failure to make the annual payment of the claim rental fee as required by this Act shall conclusively constitute an abandonment of the unpatented mining claim, mill or tunnel site by the claimant: *Provided further*, That nothing in this Act shall change or modify the requirements of Section 314(b) of FLPMA (43 U.S.C. 1744(b)) or the requirements of section 314(c) of FLPMA (43 U.S.C. 1744(c)) related to filings required by Section 314(b), which shall remain in effect: *Provided further*, That the Secretary of the Interior shall promulgate rules and regulations to carry out the purposes of this section as soon as practicable after the effective date of this Act.".

FOWLER AMENDMENTS NOS. 2901 AND 2902

Mr. FOWLER proposed two amendments to the bill H.R. 5503, supra, as follows:

AMENDMENT NO. 2901

Beginning on page 54, line 25, strike "$1,306,077,000" and all that follows through "*Provided*," on page 55, line 5, and insert the following: "$1,271,077,000, to remain available for obligation until September 30, 1994, and including 65 per centum of all monies received during the prior fiscal year as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601–6a(i)): *Provided*, That not more than $58,216,000 shall be made available for timber sales preparation, except that the amount of funds made available for timber sales preparation for national forests identified as having negative receipts from timber sales in the annual report of the Timber Sale Program for fiscal year 1992 shall be reduced by $35,000,000, with the reduction to be made on a pro-rata basis based on the quantity of timber sold from each forest in fiscal year 1992: *Provided further*, That the Secretary of Agriculture may not sell at less than cost a quantity of timber located on National Forest System lands that is more than 75 percent of the volume of the timber sold at less than cost for fiscal year 1992: *Provided further*,".

AMENDMENT NO. 2902

At the appropriate place, insert the following new section:

SEC. . FOREST SERVICE DECISIONMAKING AND APPEALS REFORM.

(a) FOREST SERVICE NOTICE AND COMMENT PROCESS.—

(1) IN GENERAL.—In accordance with this subsection, the Secretary of Agriculture (referred to in this section as the "Secretary"), acting through the Chief of the Forest Service, shall establish a notice and comment process for proposed actions of the Forest Service concerning projects and activities implementing land and resource management plans developed under the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601 et seq.).

(2) NOTICE.—Prior to proposing an action referred to in paragraph (1), the Secretary shall give notice of the proposed action, and the availability of the action for public comment, by—

(A) promptly mailing relevant information about the proposed action to any person who, in writing, has requested it, and to persons who are known to have participated in the decisionmaking process; and

(B)(i) in the case of an action taken by the Chief of the Forest Service, publishing notice of the action in the Federal Register; or

(ii) in the case of any other action referred to in paragraph (1), publishing notice of the action in a newspaper of general circulation that has previously been identified in the Federal Register as the newspaper in which notice under this paragraph may be published.

(3) COMMENT.—The Secretary shall accept comments on the proposed action that are post-marked or filed within 30 days after publication of the notice in accordance with paragraph (2).

(4) ISSUANCE OF DECISION.—Not later than 21 days after the termination of the comment period in accordance with paragraph (3), the Secretary shall consider the comments received and—

(A) issue a decision on the proposed action (including a discussion of the comments); or

(B)(i) determine that a delay in issuing a decision on the proposed action is necessary because—

(I) an issue raised by a comment requires further environmental analysis; or

(II) the consideration of the comments cannot be completed within the 21 days; and

(ii) give written notice of the delay to all persons who submitted comments.

(b) FOREST SERVICE ADMINISTRATIVE APPEALS PROCESS.—

(1) IN GENERAL.—In accordance with this subsection, the Secretary shall establish an administrative appeals process for the appeal of decisions of the Forest Service concerning projects and activities implementing land and resource management plans developed under the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601 et seq.). The process shall provide, at a minimum, one level of administrative review.

(2) TIME FOR APPEALS.—A person may seek review of an agency decision described in paragraph (1) by filing an appeal not later than 45 days after the date on which the decision is issued.

(3) AGENCY DECISION.—An appeal under paragraph (2) shall be decided not later than 45 days after the date on which the appeal is filed. If the Secretary fails to decide the appeal within the 45-day period, the decision on which the appeal is based shall be deemed to be final agency action for the purpose of chapter 7 of title 5, United States Code.

(4) AUTOMATIC STAY PENDING APPEAL.—An agency decision described in paragraph (1) shall be stayed beginning on the date the decision is issued and ending—

(A) if no appeal of the decision is filed, 45 days after that date; or

(B) if an appeal of the decision is filed, 30 days after the earlier of—

(i) the disposition by the reviewing office of all appeals of the decision; or

(ii) the end of the 45-day agency review period provided for in paragraph (3).

NOTICE OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Thursday, August 6, 1992, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 2833, the Crow Settlement Act; S. 2836, to promote economic development on Indian reservations by making loans to States to assist States in constructing roads on Indian reservations; and S. 3118, the Indian Business Opportunities Enhancement Act, to be followed immediately by a joint hearing with the House Committee on Interior and Insular Affairs on H.R. 5735 and S. 3125, to amend the Southern Arizona Water Rights Settlement Act of 1962.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224–2251.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Foreign Relations Committee be authorized to meet during the session of the Senate on Wednesday, August 5, at 8:30 a.m. to hold a hearing on the Cuban Democracy Act of 1992—S. 2918.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, August 5, 1992, at 10 a.m., for a hearing on "Ready to Learn: Television as Teacher."

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent for the Senate Select Committee on POW/MIA Affairs to meet Wednesday, August 5, 1992, at 9 a.m. in room 216 of the Hart Senate Office Building for hearings to continue the examination the Government's process of live-sighting investigations of POW/MIAs in Southeast Asia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, August 5, at 2 p.m. to hold confirmation hearings for ambassadorial nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Wednesday, August 5,

at 10 a.m. for a markup on pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, August 5, 1992 at 10 a.m., to hold a hearing on the Hate Crime Statistics Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking Housing, and Urban Affairs be authorized to meet during the session of the Senate Wednesday, August 5, 1992, at 10 a.m. to conduct a hearing on the semiannual review of the Resolution Trust Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, August 5, 1992, at 2 p.m. to hold a hearing on S. 640, product liability.

The PRESIDING OFFICER. Without objection, it is so ordered.

YAVNEH ACADEMY'S 50TH ANNIVERSARY

• Mr. LAUTENBERG. Mr. President, I rise today in honor of Yavneh Academy which is celebrating its 50th anniversary this year. Yavneh Academy will be inaugurating this auspicious occasion with the dedication of the Sarah and Leon Broch Bet Midrash and the Hynda and Murray Feit Educational Center on September 13, 1992.

When it was founded in 1942, the Paterson Yavneh Yeshiva opened its doors to six children registered in a kindergarten class. It was the first Yeshiva day school established in northern New Jersey. Due to great leadership, dedication, and idealism, the academy experienced tremendous growth over the years. Today Yavneh Academy, located in Paramus, educates 750 students from prekindergarten through eighth grade.

Mr. President, the Yavneh Academy has a unique and positive approach to teaching children. Yavneh immerses its students in a religious environment; one that instills the value of Judaism and the importance of quality academic education. Half of the school day is comprised of Judaic studies. These classes are conducted in Hebrew and are designed to help students understand and analyze their religion's history, language, and beliefs.

Yavneh is extremely proud of its general studies program due to the high scores its students receive on standardized tests and high school qualifying entrance exams. Yavneh owes this accomplishment to its broad and thorough curriculum. Students are taught math, science, computer science, social studies, and language and communication skills.

Beyond academics, Yavneh Academy offers specialized programs designed to enrich the lives of its students. The Mitzvah Program encourages students to follow the teachings of the Torah and to perform good deeds. Yavneh students bring joy to senior citizen and nursing homes during the school's community outreach trips and provide the opportunity for all to share their knowledge. Other various activities are offered, including science fairs, the Holocaust program, sports, drama, music, a mathematics league, and participation in the annual salute to Israel parade.

Mr. President, I extend to Yevneh Academy faculty, students, and alumni my heartiest congratulations as they celebrate this significant milestone. May the academy continue to grow through outstanding, challenging courses tempered with religious studies in a Jewish climate.•

THE 150TH ANNIVERSARY OF PEOPLE'S BANK

• Mr. DODD. Mr. President, I rise to congratulate People's Bank on its 150th anniversary.

Throughout this period, People's Bank has played a leading role in supporting communities across the State of Connecticut. As our largest savings bank, People's has continually demonstrated an awareness of the needs of our communities, and it is constantly designing and implementing programs to satisfy those needs. By offering a broad range of credit services, while maintaining the flexibility to tailor its services, People's has for years successfully met the diverse credit needs of our communities.

As an entity concerned with its customers' abilities to get the most out of their resources, People's Bank has been an innovator and leader. Recognizing the importance of homeownership, People's Bank took the lead as master servicer and leading lender for the State treasurer's affordable residential mortgage plan [STAR], a successful program which offered potential home buyers advantages that were not traditionally available under conventional financing, including below-market interest rates, flexible underwriting guidelines, increased income-to-debt ratios and reduced closing costs.

When People's realized the troubles many Hispanics encountered in acquiring credit, it developed a bilingual secured-card program—Via Telemundo Credit Card Program—and aimed it at those who did not already have established credit and who, due to a lack of credit history, would not normally qualify for such credit.

More generally with respect to credit cards, People's has gone against the national trend and consistently offered cards with one of the lowest annual percentage rates [APR's] available anywhere in the country.

The list goes on and on. People's Bank can proudly say that it has actively participated in nearly every major State and Federal housing program in which it has had an opportunity to partake, a role that truly deserves to be lauded.

To its additional credit, through employee voluntarism and monetary donations, People's supports nonprofit community development projects statewide. Besides committing its own resources—people, services, and money—People's Bank makes substantial charitable donations to agencies throughout the State which are significantly involved in housing, education and children's issues.

For 150 years, People's Bank has dynamically responded to the credit needs of the State of Connecticut. As an innovator, leader, and pacesetter, it has instituted auspicious programs to aid both low-income families and senior citizens. People's has been, and continues to be, a major issuer of food stamps among local neighborhoods. People's also provides basic banking services with no fees for lower-income citizens on Connecticut income-maintenance programs.

Further, as a concerned member of our community, People's Bank responded to Connecticut's economic downturn by implementing a new customer credit counseling division to assist customers in budget management and restructuring debt.

Mr. President, I would like to thank People's Bank for its many years of community service and wish it a happy anniversary and many more.•

U.S. EXPORT PROMOTION POLICY AND PRESIDENTIAL LEADERSHIP

• Mr. ROCKEFELLER. Mr. President, 3 weeks ago, Fred Malek, the chairman of the President's reelection committee, appeared on the "McNeil-Lehrer News Hour" and pointed to the strength of U.S. exports as evidence of the President's leadership. It is ironic that Mr. Malek would want to cite export growth as synonymous with the President's leadership the same week the Department of Commerce reported that American exports dropped for the third consecutive month. It is even more ironic, if Mr. Malek wants to see U.S. exports as evidence of the President's leadership, that Business Week entitles its August 3 trade article "Exports Go Pffft." Maybe Mr. Malek is

right after all. The fact is: Our recent export strength, like the President's leadership, is fading fast.

It is, of course, true that after the dollar began to weaken in 1986, our exports grew and the U.S. trade deficit receded from the record years of the 1980's. But our exports grew despite the lack of Presidential leadership, not because of it. The hard won success of American exporters is now in danger of being erased both because of the spread of our recession abroad and because of the administration's failure to articulate and implement a trade policy that both opens markets for U.S. exports and provides U.S. exporters with support to secure these markets.

Indeed, at every turn, the President's trade initiatives have failed to produce. The Uruguay round of trade negotiations drags on into its 7th year with no resolution in sight; the multilateral steel talks ended in failure while dumped and subsidized foreign steel threatens this key United States industry; the shipbuilding talks have been scuttled while that United States industry is disappearing; the Japanese have failed to live up to the semiconductor agreement; and the United States-Canada Free-Trade Agreement seems to have generated more trade conflict than cooperation. Only the NAFTA talks seem headed for a conclusion, but they have been on the verge of a breakthrough for months.

In addition to his market opening failures, the President has also failed to provide our exporters with the type and level of Government support for exports that is urgently needed. Currently, American companies must wade through a 16 agency bureaucratic swamp of conflicting advice, limited resources, complicated rules, and bureaucratic struggles before emerging—barely competitive—in the international arena. A recent GAO report highlights the ad hoc nature of our Government's export promotion activities and concludes that they lack organizational and funding cohesiveness.

Mr. President, I believe we need to develop an aggressive and coordinated trade promotion policy for the United States. To that end, last year I introduced legislation, S. 1721, that would take several steps to end the patchwork of export promotion agencies that creates so much confusion. I am pleased that it was possible for several of the most significant provisions I proposed to be included in S. 2864, the Banking Committee's bill to reauthorize the Export-Import Bank and to promote coordination of Federal trade promotion efforts.

That bill is an important step forward. It should come to that floor shortly and I hope Senators will support it at that time. If we pass it and the President signs it, it will help get our export performance back on track, which means we can retroactively make an honest man out of Mr. Malek.•

HATE CRIMES

• Mr. SIMON. Mr. President, I would like to call attention today to a report on hate crimes issued last month by the Chicago Commission on Human Relations. The report is entitled "When Worlds Collide: Culture Conflict and Reported Hate Crimes in Chicago." This report documents hate crimes in the Chicago metropolitan area for the 6 year period from 1986 to 1991, and offers interpretations of the statistics that will certainly prove useful in combating future incidents. The report documents an increase in hate crimes, but the analysis suggests two factors contributing to the increase: Hate crimes being committed at an accelerated pace and hate crimes being reported at an accelerated pace. Obviously one factor represents a trend that we need to reverse, but the other trend is one that we must work to support; increased reporting of hate crimes is a major step toward eradication of the problem.

The report includes other useful analyses of the statistics. For example, hate crimes are most likely to occur in areas where the population is not declining, but is concentrating African-Americans, Latinos, or Asians. The principal fears triggering ethnic antagonism in these changing neighborhoods are fears that increased crime and decreased property values will be the result of an increasing percentage of minorities in a neighborhood. These prevalent, though absurd apprehensions may be shared by many potential hate crime offenders, and thus we must work to counter this type of dangerous myth. Identifying the fears that motivate hate crimes is integral to the construction of education or law enforcement programs to combat future hate crimes.

The Chicago Human Rights Commission Report provides the Chicago metropolitan area with precious information about the causes and incidence of hate crimes, but we need national information and must continue to work on the collection and dissemination of that type of data on a national scale. Spotting the patterns, understanding the causes, and predicting the hotbeds of hatred are valuable observations that may save an individual's dignity, property, or life in the future. I commend the commission's efforts and ask that a summary of their report be printed in the RECORD.

The summary follows:

COMMISSION ON HUMAN RELATIONS RELEASES SPECIAL ANALYSIS OF HATE CRIMES IN CHICAGO, JULY 8, 1992

Clarence N. Wood, Chair/Commissioner of the City of Chicago Commission on Human Relations, released today "When Worlds Collide: Culture Conflict and Reported Hate Crimes in Chicago", a special report which analyzes the causes and patterns of hostile, prejudicial interactions for the purpose of anticipating and addressing them before hate crimes occur in the future.

"I felt it necessary for the Commission to have an in-depth study done which analyzes hate crimes for a period of six years and provides information that enables the Commission to be a pro-active force and a professional agency," Wood stated.

The analysis in the report shows that the most volatile combination for producing hate crimes is a small amount of population change involving new racial and ethnic groups.

The key findings of the report include the following:

Reported hate crimes in Chicago primarily involve whites attacking non-whites, and non-whites attacking whites (a little less often) in areas where there is comparatively little decline in the neighborhood population, but where African-Americans, Latinos, and/or Asians are beginning to become concentrated.

Numerous studies point to crime and economic loss as primary fears that can trigger ethnic antagonism in changing neighborhoods. The economic tension is a fear that neighborhoods will go into decline as a result of racial change.

Racially-charged tensions about crime are most likely to occur when people believe there is little that can be done to combat a potentially growing crime problem in a community. There is a significant overlap between low homicide rates and high reported hate crime rates.

Hate crimes are most likely to occur in areas where the public assistance rate is low, but where the residents are afraid that racial/ethnic change will bring in large numbers of low-income households, leading to a chain of negative results for the community.

The pattern in hate crime reports between 1986–1991, seems to indicate that the activities surrounding the reorganization and rechartering of the Chicago Commission on Human Relations in 1990 probably caused a decline in awareness and advocacy surrounding the hate crime issue. Similarly, the rise in reported hate crimes since 1991 may be due to increasing awareness and effectiveness of the Commission's monitoring and advocacy role, and its effect on the reporting practices of victims and the police department.

The 1986–1991 citywide reported hate crime incidence rate is 4.9 reported hate crimes during the 1986–1991 period per 10,000 residents. Ten Chicago community areas had more than 11 reported hate crimes per 10,000 residents during this period. The ten community areas are: Chicago Lawn; Loop; Ashburn; Beverly; Montclare; Mount Greenwood; Gage Park; Armour Square; North Park; and Bridgeport.

"When Worlds Collide: Culture Conflict and Reported Hate Crimes in Chicago" was prepared by the Metro Chicago Information Center for the Commission.•

UKRAINIAN INDEPENDENCE

• Mr. LEVIN. Mr. President, on August 24, 1991, the Parliament of Ukraine declared Ukraine's independence and achieved the dream of generations. At long last, Ukraine was free, sovereign, and independent.

Later this month, on August 24, 1992, there will be an observance of the first anniversary of Ukrainian independence

at the Ukrainian Cultural Center in Warren, MI, as there will be celebrations all across this country, throughout Ukraine, and indeed throughout the world wherever there are people who love Ukraine, and wherever there are people who love freedom.

As a new member of the international community of free and independent nations, Ukraine has made remarkable progress on its journey toward full adherence to democratic values and individual human rights. Successful acceptance of the new Ukrainian Constitution, with respect for democratic values, will be the foundation on which a prosperous and free Ukraine will fulfill its bountiful potential.

Through seven decades of Communist oppression, the Ukrainian people retained their culture, language, religion, identity, and pride. This testifies to the strength of the people of Ukraine, who have endured so much and at this time of commemoration have so much to celebrate.

Mr. President, I join the people of Michigan in commending the people of Ukraine on this, the first anniversary of their hard-fought and newly won independence.●

F/A-18E/F

● Mr. D'AMATO. Mr. President, our colleagues on the House Armed Services Committee [HASC] have received a severe drubbing at the hands of the Navy for suggesting that prototyping the F/A-18E/F would be prudent way of demonstrating the concept and assessing program risk. The HASC is understandably reluctant to rush development of the F/A-18E/F when it is painfully aware that, billions of dollars later, naval aviation has produced little more than a handful of tie tacks and several lawsuits in the last decade. That the chosen contractor has a similarly blighted development record cannot have had a calming effect.

For its part, the Navy has gone so far as to suggest that, "[i]n essence, the F/A-18C/D is the F/A-18E/F prototype." A bold suggestion when the F/A-18E/F boasts a new fuselage, wing, tail, inlets, engines, and landing gear. The more measured Navy explanation is that the F/A-18E/F is a major modification of an existing aircraft, and, as such, is considered low risk. The record of the Navy and McDonnell Douglas suggests, however, that modifying aircraft is easier said than done. Consider the T-45.

In November 1981, McDonnell Douglas, teamed with British Aerospace, Rolls-Royce, and Sperry, won the competition for the Navy undergraduate jet fighter training system. The winners proposed a navalised version of the British Aerospace Hawk, a two-seat trainer built for the Royal Air Force. The award of the full-scale development contract followed in October 1984. Risk was considered low. The modifications required to make the Hawk carrier compatible were not nearly as substantial as those proposed in the jump from an F/A-18C/D to "E/F."

First flight of the T-45 was 5 months late. Operational testing revealed that the T-45 could not meet Navy specifications for approach speed and stall and handling characteristics. Engine performance, though meeting specification, was judged inadequate. Initial operating capability [IOC], originally scheduled for September 1990, slid to June 1991 while startup of low rate initial production, slated for 1988, was only approved in 1991. Fixes, as the Navy admitted, took longer than anticipated. Today, IOC is scheduled for November 1992, 26 months late. The recent crash of one of the T-45 prototypes at Edwards AFB may slide IOC yet again. Overruns, though disputed, hover around $300 million.

Frankly, the T-45 may not be a fair comparison with the F/A-18E/F. The T-45 is a modification of an existing aircraft; the F/A-18E/F is a new aircraft. The string of Navy development failures: Navy advanced tactical fighter, advanced tactical support aircraft, P-7 and A-12, is daunting. There are no low-risk development programs. Prototyping, combined with the sensible caps and gates established by the Senate Armed Services Committee, will ensure that F/A-18E/F cost and performance goals will be met.●

UNANIMOUS-CONSENT AGREEMENT—H.R. 4312

Mr. MITCHELL. Mr. President, I ask unanimous consent that immediately following the disposition of the Interior appropriations bill, the Senate proceed to the consideration of calendar item No. 581, H.R. 4312, the bilingual voting rights bill and that the following amendments be the only amendments in order: an amendment by Senator SIMPSON regarding 5-year extension and 20,000 threshold; an amendment by Senator SIMPSON regarding a report in 5 years on effectiveness; an amendment by Senator SIMPSON regarding Federal funding cost to local jurisdictions; an amendment by Senator BROWN regarding the basis for determining whether citizens understand English.

I further ask unanimous consent that following the disposition of the debate on the bill and the above-mentioned amendments, the bill be advanced to third reading and final passage, all without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I just want to thank the majority leader for his accommodation of an early request of mine and his vitiating of the cloture proceeding. I always enjoy working with him and appreciate his willingness to accept things presented to him in an attitude of trust and respect. I appreciate that greatly.

Mr. MITCHELL. Mr. President, I thank my colleague. I want to state that the feelings expressed are reciprocal, and I appreciate the Senator's courtesy very much.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:45 a.m. Thursday, August 6; that following the prayer, the Journal of proceedings be deemed approved to date, and the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each, with Senator HATFIELD recognized for up to 7 minutes and Senator RIEGLE for up to 5 minutes; that at 10 a.m., the Senate resume consideration of the Department of the Interior appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 10:34 p.m., recessed until Thursday, August 6, 1992, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate August 5, 1992:

DEPARTMENT OF STATE

ROLAND KARL KUCHEL, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HAITI.

EDWARD S. WALKER, JR., OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE THE DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

EXTENSIONS OF REMARKS

SOME RECOLLECTIONS OF BILL BROOMFIELD

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. GILLMOR. Mr. Speaker, our colleague, BILL BROOMFIELD, has decided to retire after 36 years in Congress. His decision was noted, I would imagine, not only in the Detroit suburbs, which he represents, and not only in many foreign capitals that he has visited as ranking Republican on the Foreign Affairs Committee, but also in northwest Ohio.

A friend of BILL's, Rev. Edward D. Auchard, writes once or twice a week for the Bryan (OH) Times, and recently devoted a column to BILL's retirement and their longstanding friendship.

I thought the article might interest some of BILL's colleagues and ask that it be printed in the RECORD.

[From the Bryan (OH) Times, July 10, 1992]

A CONGRESSMAN RETIRES

(By Edward Auchard)

I first heard the news from Paul Harvey. An hour later it was confirmed by a short item in the Fort Wayne Journal-Gazette. William S. Broomfield, after 36 years in Congress, would not seek re-election to the House of Representatives from Michigan's 19th district.

Elma and I knew Bill and Jane Broomfield before he was elected to Congress. They have continued to be friends though we have seen each other only occasionally over the years.

Bill served a 10-year apprenticeship in state government before going to Washington; eight years in the Michigan House of Representatives and two years in the State Senate. In Washington, among other responsibilities, he served on the Foreign Affairs Committee of the House for 32 years. He is the ranking member of that committee today, and a member of sub-committees on arms control, international security and science. He was one of two Republicans in the House with the longest service.

Bill was not eliminated by redistricting. He represented a generally "safe" Republican district. He has not bounced even one check in 36 years.

At 70, Bill has earned the right to rest from the arduous demands of service to his district and his country. But Bill isn't retiring because he is weary; he is retiring because he is frustrated. "I can't tell you how upset I've been," Bill said, according to "Roll Call", the newspaper of Capitol Hill. "The frustration, the gridlock . . . and of course, the scandals, the anti-incumbency, the term-limitation movement. I certainly didn't want to be there for four or six more years, just shuffling around."

Men and women like Bill are the primary reason for not favoring mandatory term limits. A corrupt or incompetent office holder ought to be turned out after one term. On the other hand, people who have confidence in the character and competence of their representative ought to have the privilege of electing the man or woman they trust as long as they choose. Furthermore, limiting the terms of experienced elected representatives, will enhance the power of unelected bureaucrats.

Over the past three decades, Elma and I have been grateful for opportunities to travel. Bill Broomfield has always gladly placed us in touch with ambassadors or consuls. On our first trip to the Middle East in 1962 we were guests of three ambassadors: John Badeau in Cairo, Armin Meyers in Beirut and William Macomber in Amman. Our invitations were the result of Bill's initiative.

Bill Broomfield could convert $655,652 of his $800,000 political war chest to personal use according to ethic laws. Instead, he plans to create a non-profit foundation for educational and charitable enterprises.

Both Delbert Latta and Paul Gillmor have expressed their appreciation for their colleague.

I am grateful that Bill and Jane will continue to be our friends. Perhaps, now that we are both retired, we may be able to meet again. I hope, too, he will have continuing opportunities to share his wisdom with the public he has served so long.

Americans should be grateful for our Constitution. Yet no system operates without flaw or failure. Systems depend on persons—persons of compassion, intelligence, imagination and commitment. I am glad that among those who operate our system there are persons like Bill Broomfield.

REMARKS BY LINDA G. STUNTZ

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. OXLEY. Mr. Speaker, I am pleased to call my colleagues attention to the outstanding service rendered to our country by Deputy Secretary of Energy Linda G. Stuntz. Ms. Stuntz was recently sworn in as the second ranking official at the Department of Energy and I congratulate her on this latest achievement.

A native of my home State of Ohio, Ms. Stuntz has dedicated her professional life to something that is at the heart of every American's way of life, that being energy policy. During the more than 10 years she has spent working on energy regulatory and legislative matters, she developed an expertise that is second to none. That expertise proved to be invaluable as the national energy strategy was being developed and the subsequent legislation was being shepherded through the House and the Senate.

Ms. Stuntz understands the need for a balanced, comprehensive energy strategy, and continues to work hard to promote such a policy. Part of the balance is a recognition that sound energy policy includes sound economic policy. Evidence of her commitment to the development of sound energy policy and sound economic policy can be found in the following speech given by Ms. Stuntz to the Citizens for a Sound Economy:

REMARKS BY LINDA G. STUNTZ, ACTING DEPUTY SECRETARY OF ENERGY

Good morning and thank you to Citizens for a Sound Economy for bringing us together today. CSE members and staff have contributed greatly to the development and adoption of sound economic policies, including sound energy policy, and we at DOE are most appreciative of CSE's efforts. As much as you have done, however, I am here this morning to ask you to do more: more to educate people about what makes a sound economy; and more to inform people about how important a sound economy is to other values that we hold dear, including our health and the environment.

In a world where efforts to minimize the costs of environmental regulation are construed as selling out to the polluter; where our ability to understand and communicate risk has been far outstripped by our capability to detect minute quantities of man-generated materials in the world around us; and where elected public officials say in all earnestness that it is beneficial to adopt the most stringent standards in the world because this will be enable our manufacturers to compete, when and if other nations go along, the educational challenge that we face is as clear as it is daunting.

As has been pointed out recently by several commentators, we now live in a truly global economy where capital and jobs move quickly in response to opportunities and disincentives. The good news in this is that, thanks to the determined efforts of this Administration to reduce trade barriers and prevent the dollar from appreciating substantially against other world currencies, and thanks to the ingenuity and initiative of U.S. firms in fields ranging from computers to coal to gas turbines, we are now in the midst of an export boom.

Last year, our exports reached a record $422 billion. Indeed, during the past three years, exports have accounted for 70 percent of our economic growth. American exports of capital goods grew by nearly 40 percent during the past three years. Exports of consumer goods were up more than 50 percent during the same period. And the U.S. surplus in advanced technology products continues to grow, reaching $37 billion last year.

All these exports mean jobs. The Department of Commerce estimates that every one billion dollars in exports supports some 19,000 American jobs. Little wonder then, that the President has placed such importance on the successful negotiation of a NAFTA and the current GATT round.

But the bad news for us in this increasingly global economy is that the reaction to misguided policy is sure and swift. The Energy Information Administration estimates that over the past decade, we have lost more than 370,000 jobs in the oil and gas extraction industry. And this was before the recent round of announcements by Unocal and

Amoco that they were cutting nearly 10,000 U.S. jobs by the end of next year. Now some of this loss of jobs can be attributed to a return to more sustainable levels of activity in the oil and gas patch following the frenzied days of 1981. However, the flight of oil industry capital overseas is a more recent phenomenon. It was not until 1990 that U.S. oil companies invested more abroad than they did here. Since that time, the trend away from investment in the United States has only accelerated.

It does not take a brilliant detective or a high-priced investment banker to see why. Congress has blocked the President's request for authority to explore and develop, in a carefully monitored fashion, a small portion of the Arctic National Wildlife Refuge, the last, best hope for a major oil field find in the United States. The House energy bill would place off limits large chunks of promising OCS areas, even where the energy produced would almost certainly be natural gas and even though it is far less risky, from an environmental standpoint, to develop our energy resources on the OCS than it is to rely on oil brought in on tankers.

All together, we now spend nearly $130 billion per year in this country on pollution controls. That's about 2 percent of our Gross Domestic Product (GDP). This is a commitment to environmental quality unmatched by any other nation—and it's expected to rise in the years to come. Indeed, under existing regulation, Americans will spend more than $1.2 trillion over the course of this decade to control pollution. That means my husband, our two children, and I pay roughly $1,850 per year for pollution control—so does every other family of four.

That's OK, as long as we get good value for our money, but it should be OK to demand that we do. We are talking about real money to be paid by real people. Government can print regulations . . . and it can print money . . . but only a sound economy can pay the bills. CSE needs to remind people of this.

President Bush understands this. This is why he is committed to regulatory reform. That is why he had the courage to stand up against a stampede to carbon dioxide targets and timetables. That is why he refused to sign on to a biodiversity treaty that appeared to invalidate patents for bioengineered products, an important and rapidly growing sector of our economy. And that is why the President has pushed for no net loss of real wetlands, not the blocking of all development of thousands upon thousands of acres of land that no reasonable person would consider "wet." In short, the President knows when to say "no." That's a sign of real leadership in my book.

He also knows when to say "yes." It was the President's leadership that broke a 14-year deadlock and resulted in the Clean Air Act Amendments of 1990. The emissions allowances trading provision for sulfur dioxide contained in that legislation is a real breakthrough in pollution control. It harnesses the power of the marketplace to improve the environment. We need to work together to incorporate similar innovation in the way we do business in this country and in other legislation. The June 15 issue of Fortune highlighted private sector efforts in this area, including the role being played by the President's Commission on Environmental Quality.

The President also led the world in accelerating the phase-out of CFCs, and he has pushed for a convention to protect the world's forests.

That brings us to the National Energy Strategy. At a time when almost no one else was even thinking about energy, the President directed Secretary Watkins to develop a comprehensive, balanced National Energy Strategy to fully address this country's energy, economic, environmental and national security needs—in an integrated and sensible way.

The NES was developed and announced as policy by the President in February, 1991. We are now well into the second year of implementing that Strategy, and we are, or should be, on the verge on enacting comprehensive, balanced energy legislation. At least that is what any civics textbook would tell you about legislation that passed the Senate by a vote of 92-4 in February and the House by 380-30 in May.

But nothing in this town is simple this year. We are back in the Senate again, facing filibusters again and extraneous, damaging amendments, trying to get the Senate to pass a bill at least as good as the one it passed in February so that we can get to conference and finish a good bill this year. The Senate has scheduled a cloture vote next Wednesday.

Assuming we get cloture, a very questionable assumption right now, we have a long conference before us involving—believe it or not—representatives from as many as 15 House Committees and a plethora of Senate Committees as well. If ever there was a case study in "how our laws should not be made," this has got to be it!

Of course, if we don't get the bill moving again, it's all moot. We would have to start all over again in some future Congress on things like PUHCA reform and nuclear licensing reform, which are very important, but which are hardly the object of public clamor.

This country runs on energy, whether it comes from fossil fuels, nuclear power, or renewable resources. We can either address it responsibly, as the President has proposed, or we and our children will pay the consequences, in lost jobs, lost opportunities and a less sound economy.

Thank you. I'll try to answer your questions.

A MODERATE? SORRY BUT AL GORE DOESN'T FIT THE MOLD

HON. JON KYL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. KYL. Mr. Speaker, during this season of party conventions and almost daily sound bites, it is useful to remind ourselves that the press coverage of these events is not always accurate. AL GORE'S new moderate image is a perfect example of the gap between what the press believes versus what the facts tell us. The column below, which appeared in the Phoenix Gazette on July 28, 1992, clearly and accurately examines GORE and his record. I commend it to my colleagues.

[From the Phoenix Gazette, July 28, 1992]

A MODERATE? SORRY, BUT AL GORE DOESN'T FIT THE MOLD

(By Marcia Sielaff)

As told by the media, Sen. Al Gore is a model centrist. But anyone who believes that the Democratic vice presidential candidate is a moderate on most issues just hasn't been paying attention.

There is little doubt that the media are enamored of the photogenic senator from Tennessee—Dan Quayle should be so lucky—and are happy to reinforce the Democratic line distancing Gore from the party's left wing. However, a close look at Gore's congressional record tells a somewhat different story.

Those looking for the much-touted "change" of political posture described at the Democratic National Convention will find that Gore has indeed shifted ideologic ground—but not in the direction described.

Various liberal and conservative lobby groups keep track of the voting records of members of Congress and rate them according to how well they align with their organizations' interests.

The Almanac of American Politics 1992 published by the National Journal provides those ratings for 1989 and 1990. I have updated that information, when possible, by adding 1992 rankings. These ratings indicate Gore's general political philosophy and how it has evolved in recent years. The record reveals a mostly consistent tilt to the left.

For example, in 1989 the liberal Americans for Democratic Action found that Gore cast votes to their liking only 55 percent of the time. Since then, he has improved considerably in their estimation, scoring 78 percent in 1990 and 75 percent in 1991.

Not surprisingly, the American Conservative Union rated Gore as hewing the conservative line only 19 percent of the time in 1989, a worse 9 percent in 1990 and a slightly improved 14 percent in 1991.

The liberal Committee on Political action (AFL-CIO) gives Gore a high 87 percent for being faithful to the interests of organized labor in 1989 and 1990—just a few points short of Tom Harkin—and an only slightly less enthusiastic 83 percent in 1991.

The business-oriented Chambers of Commerce of the United States saw Gore as sympathetic to business interests 60 percent of the time in 1989, but he dropped to 17 percent in 1990 and 20 percent in 1991.

The Competitive Enterprise Institute, which rates legislators based on dedication to the principles of free enterprise and limited government, gives Gore even worse grades. He received an 18 percent in 1989 and a 10 percent in 1990, tying him with Californian Alan Cranston as the most anti-market member of the Senate. CEI ratings for 1991 have not been released.

The *National Journal* also supplies its own relatively objective analysis of where members of Congress rank on the ideological spectrum by analyzing congressional roll call votes and classifying them as either economic, social or foreign policy related. The *Journal*'s rankings are consistent with the findings of the lobby groups.

In 1989, Gore is rated as having voted in the liberal column on economic issues 78 percent of the time compared to a 21 percent conservative score. On social issues he voted liberal 69 percent of the time compared to 24 percent conservative. His record on foreign policy issues can be most fairly defined as moderate. He scored 53 percent liberal on foreign issues, compared to voting conservative 47 percent of the time.

In 1990, his liberal scores improved dramatically. He voted liberal 92 percent of the time on economic issues and received a zero in the conservative column; 81 percent liberal on social issues and another zero on the conservative side; 64 percent liberal on foreign issues compared to a conservative rating of 35 percent.

In 1991 he scored 71 percent liberal and 28 percent conservative on economic issues; 87 percent liberal on social issues and zero con-

servative; 54 percent liberal on foreign issues and 44 percent conservative.

When it comes to the environment, Gore moves from liberal to radical. His new book, "Earth in the Balance: Ecology and the Human Spirit," calls for a vast array of costly new laws and expanded bureaucracies to enforce them.

Fred. L. Smith, president of the Competitive Enterprise Institute, writing recently in *The Wall Street Journal*, describes Gore as "a true product of the 1960s," in the vanguard of economic central planners. Replicating those central planning mistakes under an ecological banner, Smith warns, would pave the way to economic disaster: "The road to serfdom need not be paved with red bricks: Green bricks will do just fine."

Although Gore's activism may please the environmental lobby, it also could be a political problem. Gore's support for green trade restrictions, taxes on carbon dioxide emissions and his call for a "Global Marshall Plan" of large subsidies for developing nations might backfire. Voters tend to worry less about global warming and owls than they do about jobs.

Sen. Gore has a well-deserved reputation as a hard-working, bright and able politician, but pundits who persist in defining him as a moderate need a new dictionary.

TRIBUTE TO MATTHEW ESCALANTE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. LAGOMARSINO. Mr. Speaker, I would like to commend a young constituent from my district, Mr. Matthew Escalante of Oxnard, CA, for his second place finish in this year's Voice of Democracy Broadcast Scriptwriting Program sponsored by the Veterans of Foreign Wars and its ladies auxiliary. Mr. Escalante's script was chosen from among 147,000 high school students nationwide for the VFW second place finish.

Mr. Escalante, a recent graduate of Oxnard High School, is the recipient of the $15,000 Scholarship Award provided by the Veterans of Foreign Wars and its ladies auxiliary. Matt is the son of Mr. and Mrs. Michael Escalante and is planning a career in politics. Matt was sponsored by VFW Post No. 3935 and its ladies auxiliary in Port Hueneme, CA.

For the record I am submitting a copy of Mr. Escalante's script which is based on the theme "Meeting America's Challenge," and I ask my colleagues to join me in congratulating him.

MEETING AMERICA'S CHALLENGE

(By Matthew R. Escalante, California winner, 1991/92 VFW Voice of Democracy Scholarship Program)

The darkness is cold, and the dampness is heavy upon us. Slowly we are being enveloped and surrounded * * * is there hope, a sunrise over the mountains, a ray of sunlight in the prairie, a blanket of stars that reflect on the ocean maybe a challenger to meet our distress.

In the background surrounded by sandfilled bags, a small handheld radio emits a faint song, sung by Randy Travis, "One by me from the mountains to the sea, points of light—reaching out to you and me. All it takes is a point of light—a ray of hope in the darkness." Dusty, hot, and unchanging, the desert sun beat down on the shallow trenches. A shimmering drip of sweat slips off the sunburnt brow of a young United States soldier, clothed in neutral, drab-colored fatigues. He is watching and searching the horizon for an ever present enemy attack. This brave, self-sacrificing soldier is meeting America's challenge.

The long black cloak covers the business suit as the judge from the county court takes his seat in the courtroom. Today as every day his docket is filled with pending cases. His job is complex and educated, yet the underlying idea is simplistic; to right wrongs and serve justice where deserved. When individuals perpetrate society they lose their God-given right of freedom, because as Bernard Baruch once wrote, "the greatest blessing of our democracy is freedom. But (our) only freedom is the freedom to discipline ourselves." This scholarly judge is meeting America's challenge.

America is presently enjoying an unchallenged presence in the world community. America has held fast against the tyranny of the Soviet States in all its glory as the one super power of influence in the world. The melancholy gray drums of the world have been silenced. America's challenge. To be the North Star, the bright beacon, the burning torch that guides us all.

"Now the trumpet summons us again—not as a call to bear arms, though arms we need; not as a call to battle, though embattled we are; but a call to bear the burden of a long twilight struggle, year in and year out, rejoicing in hope, patient in tribulation, a struggle against the common enemies of man: tyranny, poverty, disease and war itself." As eloquently as those ideas sounded more than twenty years ago when embodied by John F. Kennedy, those ideas again stand out in the minds of America's youth. How can we as United States citizens be meeting America's challenge?

The young people of today are striving to answer that question. We as the youth of today and the adults of the future are looking for role models, heroes if you were to guide us to that point of light, discipline ourselves, and to stand up with patience and strength to the enemies of man. Those role models, those heroes should be the courageous men and women that the youth of today look admiringly towards. For they have proven their strength through war, depression, challenges and hardship. Those heroes have defended America with their lives on the front lines of devastating war. Those men and women that have proven to be role models in the hospitals, factories, courtrooms and classrooms. America's youth will find their heroes, thereby finding their "point of light" in the darkness to meet America's challenge.

EARLY TRADE BETWEEN INDIANS AND NON-INDIANS

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, Through Public Law 102–188 (H.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the "Year of the American Indian." This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues a recollection of Vital Thomas, a member of the Dogrib People from Canada, as published in a book entitled "Native American Testimony." The editorial comment which precedes the article is provided also.

THE BEWITCHED PALE MAN

(Because the Dogrib people of Canada had to cross the terrain of their greatest enemy, the Maskegon Indians, in order to trade with the French, they conducted their business with the Hudson's Bay Company instead. This tale was recited by Vital Thomas, a contemporary Dogrib storyteller from Rae, near Marten Lake in central Canada.)

Fort Simpson is an old, old fort. In the fall, the Dogribs used to go to Simpson to trade. One time, one bunch went on ahead of another bunch by four or five days. When they got to Simpson, the Hudson's Bay manager wouldn't give them any credit. He was mad at them. He said, "You guys haven't paid me from last year. I won't give you a thing." Those poor Indians, there was nothing they could do but go back. They were one day out from the fort when they met the other bunch coming along to trade. They said to the other bunch, "There is no use going on, you might as well turn back. The Hudson's Bay man won't give us credit. There is nothing there for you."

There was an old fellow with the second bunch. He was Seretton's father—not that Seretton who is living here now but another one. That old man listened to all the talking, and then he said to his bunch, "Well, we might as well go on in and see what it is like. We can't turn back now." That night when they made camp, those fellows asked the old man if he couldn't change the Hudson's Bay man's mind, because they had come from a long, long way, from Snare Lake or Indian Lake maybe. They offered to pay the old man, so finally he said, "I'll do the best I can to change his mind."

So the old man started to sing, "Hey hey, Pale Man! hey hey." And he started to work his arms down into the earth. Finally he was down into the earth about halfway up his arms. He was still singing, "Hey hey, Pale Man!" when he said, "Here is the man we have been talking about," and he brought the Hudson's Bay man up out of the ground as far as his armpits. Then he began to rub his hands over the Hudson's Bay man's head as if he was pulling or cupping up water. All of a sudden he clapped his hands loudly and said, "Here it is! I got his mind right here in my hands!" And the Hudson's Bay man sank back through the earth. "He has gone home now without his mind. We got to hurry to get there. We got to do our trading fast and go right back because I can't hold his mind very long."

They started out early and got to Simpson about the middle of the day. When they went in the store, the Hudson's Bay man acted like he was dreaming, kind of like he was asleep. The Dogribs started to ask for things. And that trader gave them everything they asked for, just like he was half drunk. They got everything they could think of on credit. And then the old man said to them, "We might as well go home now. I can't hold it

any longer." And as soon as they got back into the bush, the old medicine man sent the Bay man back his mind.

VITAL THOMAS,
Dogrib.

COMMEMORATING GUAM'S PARTICIPATION IN THE XXVTH OLYMPIA

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. BLAZ. Mr. Speaker, like so many Americans, I have been in the past week thrilled and inspired by the events in Barcelona. I rise today, however, to draw my colleagues' attention to the efforts of a small, but no less inspiring, group of young people from my district who are pursuing their own Olympic dream. I speak of the participation of Guam's Olympic team in the XXVth Olympiad in Barcelona, Spain. This is the second Olympics in which Guam has participated, the first being in 1988 in Los Angeles.

Participation in the Olympics is a life-altering experience. For an athlete to be able to compete with the fastest and strongest, to be present when records are broken, to see the brotherhood of nations on the field of open competition, is, for many, dream becoming reality.

What is more important, however, is the route which one had to take to get to the Olympics. The early morning practices; the long hours in the pool, or on the track, or in the gymnasium. The sore muscles and bruises. Dealing gracefully with the disappointment of defeat, and being magnanimous in victory; learning that hard work and perseverance will be rewarded. These are just some of the lessons that must be learned, are learned, and are what set the example for younger athletes.

There are also those without whose efforts the physical presence at the competition would not have been possible: The coaches, trainers, and team organizers, the members of the media, and their technicians, who bring the story to us. And, most importantly, the parents who supported and encouraged these young people to strive for their personal best, no matter what the obstacles.

Mr. Speaker, it is with great honor and pleasure that I enter into the annals of our country's history the roster of the athletes, organizers, and staff of the Guam Olympic team, and it is with deep humility that I salute all of them on behalf of the people of Guam.

Biba Guam.

GUAM OLYMPIC TEAM

Head of delegation: Governor Joseph F. Ada, First Lady Roseanne F. Ada.

Swimming: Patrick Sagisi, Frank Flores, Ray Flores, Glenn Diaz, Adrian Romero, Barbara Pexa, Tammie Kaae, Ed Ching, Mick Pexa.

Judo: Erin Lum, Atef Hussein, Andy Jordanou.

Wrestling: Ed Pangelinan, Tom Schoen.

Cycling: Manny Garcia, Jazy Garcia, Andrew Martin, Martin Santos, Will Yamamoto, Jr., Margot Bean, Albert Juan.

Archery: Luis Cabra, Lee Webber.

Yachting: Jon Iriarte, Joe Pruski, Linda Yeomans, Ann Byerly.

Weightlifting: Edgar Molinos, Vincente "Benny" Crawford.

Officials: Michael J. Reidy, Chef de mission, Richard C. Blas, Vanessa K. Blas, Judge Benjamin J. F. Cruz, Johnny Applegate, Monica Okada, Gordon Chu, James Ji.

Medical: Dr. Glocrito Sagisi, Dr. Davina Lujan, Roseann O'Rourke.

Athletics: Jenn Allred, Richard Bentley, Brian Foster.

Youth camp: Melissa Taitano, Francine G. Sablan.

Media: Thomas Evers Blaz, KUAM-TV, Marty Bahamonde, CABLE TV.

ELIZA ALICE TUDOR WINS WRITING CONTEST

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. BURTON. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. This year more than 147,000 secondary school students participated in the contest. They competed for 22 national scholarships totaling $76,000 which was distributed among the top 22 winners. The theme of this year's contest was "Meeting America's Challenge."

I am happy to announce that Eliza Alice Tudor from my district was selected as the Indiana winner in the Voice of Democracy broadcast scriptwriting contest. I congratulate Eliza Alice Tudor on her excellent script and I commend it to my colleagues in the U.S. Congress.

MEETING AMERICA'S CHALLENGE

(By Eliza A. Tudor)

If we were to define America's challenge according to the headline's in our nation's newspapers and the topics that dominate the network news, we could easily conclude that the American way of life is quickly disintegrating. A volatile and shaken economy, a lack of credibility in elected officials, a diminishing and downtrodden middle class, a disappointing educational system, conflicting and confusing moral and spiritual values, the threat of a deadly AIDS plague, and the waste and defacing of the planet, devalue the American way of life.

We are hearing news we can no longer ignore. We can only meet these challenges by identifying them, facing them, and rolling up our sleeves to find solutions.

Our nation has learned that we cannot legislate morality or even justice without putting it into practice, but because we are Americans, we can do better than this.

The places to begin to meet these challenges are in our personal lives, in our families, and in our communities.

We cannot expect a balanced economy nationally if we do not live within our means in our families. This may mean saying no to frills that we have come to accept as necessities, but what we spend our money for shows what we consider important. We are Americans and we can do better than that.

We cannot find fault in an educational system when we allow television and slick magazines to fill more time in our children's lives and our own than we spend learning and exploring together. Children find it difficult to become more than the example adults set for them.

In matters of morality, priorities, and discipline, we set the goals and because we are Americans, we can do better than this.

The warm wave of support and patriotism that drew the nation together during the first terrifying months of this past year was due in no small part to a national quilt we felt when we remembered the men and women who fought in Vietnam who returned unheralded and unnoticed. Because we are Americans, we know we could do better than that and we did.

Our challenge is to turn our nation, our communities, our families, and ourselves to what is true and right and good. Men and women have served and died for the freedoms we have to correct our errors; for the freedom to vote incompetent government officials out of office and worthy citizens to office, the freedom to say, "No, my family will not watch immoral, sensational, violent television nor use the products that sponsor such programs," the freedom to say that we demand the finest American made goods and quality services for fair prices.

The greatest freedom we have is the freedom to choose our attitudes. I know that there is no better system in this world. I know I can do better than this, because I am an American and I'm not afraid of work, or sacrifice, or doing what I know is right. I'll not delude myself that there are no problems, but there are solutions and our system affords the means and the opportunity to find the solutions, and because we are Americans, I know we can do better.

FOR OUR CHILDREN: THE VACCINE ACCESS AND REGISTRY ACT

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Ms. SLAUGHTER. Mr. Speaker, one of life's most painful, most inexplicable tragedies is the death of a child. It is every parent's nightmare. In recent decades, we have been able to prevent this senseless nightmare for millions of families through the discovery of vaccines that virtually eliminated diseases such as polio, measles, and pertussis—whooping cough—which routinely took the lives of many children during the early part of this century. Children who are properly vaccinated are immune to these former killers.

Today, however, I fear we have become blasé. Because these diseases now seem so remote, many children don't get their shots at the proper time. Even more troubling, many children don't get immunized at all. The result has been tragic.

We have just suffered through a 3-year measles epidemic that struck 55,000 people and claimed the lives of 89 Americans in just 1 year. In 1991, twice as many children became ill with pertussis as in 1981. Five times as many children contracted rubella than in 1988. Children are even getting polio again.

All these diseases can be prevented easily if children receive timely vaccinations. Most children are vaccinated by the time they enter kindergarten because their parents are required to show proof of immunization before

the children can enroll. But these requirements don't protect the new class of victims, the preschoolers.

We don't know exactly how many preschoolers are missing their vaccines because funding for Federal studies has been eliminated in recent years. A January 1992 report by the Children's Defense Fund found that, while other industrialized nations are improving their vaccination rates, the United States is regressing so fast that now we rank behind 16 other nations in the percentage of 1-year-olds vaccinated against polio. The percentage of minority children immunized compared to other countries puts us at number 70.

In the country as a whole, half our preschoolers are dangerously behind in their immunizations. In my own congressional district of Rochester, NY, an average of 40 percent of 2-year-olds are behind in receiving their shots. In some Rochester neighborhoods, more than 60 percent of the children are behind on scheduled vaccinations.

Today, I am proud to introduce the Vaccine Access and Registry Act, which seeks to lower the costs of vaccinations, increase the number of children being vaccinated on time, and create registries to keep track of the immunizations. It will offer grants to States to start up universal free vaccine programs. Under these programs, States will be able to purchase vaccines from manufacturers at the bulk rate price now available to the Federal Centers for Disease Control [CDC] and then distribute vaccines to doctors. Physicians, in turn, would be able to vaccinate their young patients at no charge other than, perhaps, a nominal administration fee. The bill would also create statewide or multistate registries of child immunizations that will track vaccinated children and remind parents when a vaccine is due.

Currently, private physicians in New York State, for example, pay high retail prices for vaccines which can easily be made available at a much lower cost when purchased by States through the CDC. Specifically, a New York physician pays over $9 for polio vaccine which costs only $2 at the bulk rate available through CDC. This high price is passed along to the patient or, if the patient is covered by Medicaid, to the States.

The universal free vaccine program established in my legislation is based on the experience of several States which already have similar programs. By buying the vaccine cheaply at the bulk rate and distributing it to doctors, who charge their patients only a nominal administration fee, both the State and the public save money.

Because the cost of the vaccine is so much lower than if it had been purchased individually by the doctor, the State can afford to pay the doctor a higher administration fee for Medicaid patients, one that actually approaches reimbursement for the doctor's costs. In many States the current Medicaid reimbursement for vaccinations to private doctors is very low—in eight States it is less than the cost of the vaccine alone. In most cases, it is between 53 and 84 percent of the usual fee a physician would charge for private patients. That is why many physicians refer Medicaid patients to public clinics for vaccinations.

These referrals to public clinics mean lost opportunities to vaccinate children. They also throw a larger burden on already overloaded and underfunded public clinics. Under the universal vaccine program in my bill, States save money on the cost of the vaccine, parents do not have to pay out-of-pocket for life-saving vaccines for their children, and doctors serving Medicaid patients are more equitably reimbursed for this vital service. This encourages more parents to have their children immunized, and more doctors to provide vaccinations while still saving money overall.

This cost saving is especially crucial for the working poor who must pay for vaccinations themselves. Not all health insurance covers routine child immunizations, and not all families even have health insurance. Indeed, one of the most shameful statistics to surface during the debate on national health care reform is that more than a quarter of the 37 million Americans without health insurance are under the age of 18.

For these families, the cost of immunization can be an insurmountable burden that causes them to delay the vaccinations. With this legislation, I want to ensure that affordability is not an issue in immunizing all our children on time. My legislation will encourage States to offer universal vaccine programs by providing them with start up funds and by requiring the CDC to negotiate a bulk rate price available to all States.

The second part of the Vaccine Access and Registry Act is a vital component to ensure all children are vaccinated on time. It provides grants to States to create registries to track child immunizations and notify parents when children are due for a vaccine.

If every parent stayed with one health care provider, we probably would not need registries. However, our society is very mobile and with the current lack of affordable health insurance, many children receive medical attention only in emergencies and then from the nearest facility. In those circumstances, a doctor does not know the child's immunization history and is often unwilling to vaccinate the child.

With statewide or multistate registries, the health department can track each child's immunizations even if they are administered by different doctors in different cities. My legislation allows each State the flexibility to design a registry that suits its needs and situation. In some cases, States may choose to work together to create regional registries for several States. Each State health department can decide how it wants to utilize the registry to best encourage timely vaccinations.

Finally, this bill authorizes $100 million for the two programs. This level is consistent with the funding level for childhood immunizations which I worked to include in this year's House Budget Resolution. In order to allow this expansion of Federal vaccination efforts, the Budget Resolution provided $150 million more than the President suggested for the coming year. This money is a wise investment: every dollar spent on vaccines saves at least $10 down the line. Perhaps the greatest savings this legislation would achieve is a human one—the very lives of our precious children.

WAR ON DRUGS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 5, 1992, into the CONGRESSIONAL RECORD:

An estimated 12.6 million Americans consume illegal drugs at least once a month, causing enormous human costs in terms of lost productivity, drug-related violence, and ruined lives. During the past decade, the federal government spent over $30 billion on anti-drug efforts. We may not be losing the war on drugs. But neither are we winning it.

CURRENT POLICY

The federal government's anti-drug effort has five key elements:

Drug Crop Eradication. Through the use of diplomatic pressure and financial incentives, the U.S. government encourages drug crop eradication in other countries. As part of the Andean Initiative, the U.S. will provide some $2 billion in law enforcement, economic, and military assistance to Bolivia, Columbia, and Peru, where most of the world's cocaine originates. Eradication efforts in this country also have been expanded. The Indiana National Guard, for example, eradicated in 1991 almost 9.5 million marijuana plants, which represents an estimated street value of $4.7 billion.

Border Interdiction. Most illicit drugs enter the U.S. along the 8,000 mile Florida shoreline or the 2,000 mile border with Mexico. To reduce this influx, Congress has significantly increased funding for the Coast Guard, the Customs Service, and the Immigration and Naturalization Service.

Enhanced Law Enforcement. Several steps have been taken to help law enforcement officers combat the drug trade. The Office of National Drug Control Policy was created to coordinate the more than three dozen federal agencies involved in drug control. In addition, the legal penalties for a range of drug-related crimes have been increased, including the provision of the death penalty for killings committed by major drug traffickers. Confiscation and forfeiture laws have been strengthened, and Congress has increased federal funding for prisons.

Education and Treatment. The federal government funds several education and prevention programs, including grants to schools for anti-drug programs. Congress has expanded drug-free workplace requirements for federal contractors to broaden public awareness of the drug crisis. The number of public treatment slots for drug addicts increased to 1.5 million in 1990, but this still falls far short of demand. Setting up more drug treatment programs is difficult because of budget constraints and, often, opposition from residents who dislike having drug treatment centers located near their homes.

Research. Basic research about the drug crisis has been expended. The National Institute of Drug Abuse (NIDA) sponsors research about new medications for treating cocaine and other addictions. NIDA is also studying how drug use can be discouraged among the young, and the impact of illicit drugs on fetal development. Since 1991 the Office of National Drug Control Policy has allocated over $40 million to 54 research projects aimed at reducing the supply of illicit drugs.

ASSESSMENT

The drug crisis in this country is rapidly becoming two separate problems. One con-

cerns the casual, often middle class, user. Due to enhanced education and law enforcement programs, the war on drugs has been partially successful in reducing casual drug use. For example, the number of regular cocaine users in this country fell by 72% from 1985–90. The number of cocaine-related hospital visits also decreased, as did the number of high school students using drugs. These trends reversed somewhat in 1991. But overall we have made some progress curbing casual drug abuse, particularly among the young. The other, more intractable, drug-abuse problem in America concerns the hard-core user, the addict, and here we have had little success. By one estimate, 1.2 million Americans are now hard-core drug abusers. And many experts believe the number is much higher.

RECOMMENDATIONS

Our anti-drug policies should be more responsive to the changing nature of America's drug problem. First, more resources are needed. With my support the House recently passed an anti-drug initiative authorizing $2.5 billion in federal funding to stop the drug trade in 50 depressed areas. Half of the target areas would be rural. An additional $2.5 billion in tax incentives is included to promote development and provide potential drug users with greater economic opportunity. This legislation is now under consideration in the Senate.

Second, efforts to reduce demand, such as education and treatment, should receive a greater share of federal anti-drug money. Currently 70% of U.S. anti-drug resources are allocated to supply-side strategies—a distribution that is not cost-effective. We spent almost $3 billion this year on interdiction and eradication, but the production of illicit drugs still increased. Stepped-up law enforcement efforts have led to more arrests, but overcrowded courts and prisons often mean that drug dealers quickly return to the streets. As long as Americans are willing to spend billions of dollars on illicit drugs, the traffickers and the pushers will find ways to meet that demand. I believe that reducing demand is the most efficient and effective way to address the drug problem.

Third, we need to better distinguish between the problems of the casual abuser and those of the addict. Casual drug users are more likely to respond to educational efforts, higher legal penalties, and other initiatives that can induce users to change their behavior. These programs should be strengthened. But to combat hard-core drug abuse, more and better treatment programs are essential.

Fourth, help must be given to the most tragic victims of the drug epidemic—the 325,000 infants born each year prenatally exposed to illicit drugs, one third to crack cocaine. Currently no one knows how these children will be affected long-term—physically, mentally, emotionally, and educationally.

Fifth, more research is needed to understand why people use drugs, how they become addicted to narcotics, and what can be done to treat and deter drug use.

The government can help combat the drug problem in this country. But the fundamental responsibility lies with the individual. People must take responsibility for their actions, their lives, and the health and welfare of their children. Only then will we win the war on drugs.

REMARKS ON H.R. 5732

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. IRELAND. Mr. Speaker, last week it was my pleasure to join my distinguished colleague from New York, the Small Business Committee Chairman JOHN LAFALCE, in introducing H.R. 5732. The purpose of this bill is to provide Congress with sufficient time to receive the final report of the Commission on Minority Business Development, hold hearings and, if appropriate, offer legislation which may substantively alter the Small Business Administration's [SBA] section 8(a) procurement assistance.

In creating the 8(a) program, Congress established a worthy goal—the promotion and development of small businesses owned and controlled by socially and economically disadvantaged Americans.

In 1988, recognizing the need to improve the 8(a) program, Congress established the U.S. Commission on Minority Business Development. The Commission was charged with the responsibility to review and assess the overall effectiveness of the Small Business and Capital Ownership Development Program, commonly referred to as the 8(a) program.

The Commission's final report is anticipated to be delivered to the President and Congress during the month of August 1992. It proposes changes which, if enacted by Congress, could affect a small business' tenure in the program and the type of technical and financial assistance available to it from the Small Business Administration.

The bill establishes a moratorium, for up to 1 year, on graduations from the 8(a) program. Under the terms of the bill, an 8(a) firm would graduate on either its current graduation date or 365 days from the date of enactment of this bill, whichever is later. According to the SBA, approximately 262 firms will graduate from the 8(a) program between October 1, 1992, and December 31, 1993. The bill establishes a graduation moratorium, from 2 to 12 months, to assure that these firms will not be arbitrarily pushed out of the program while Congress is reviewing proposals to extend their eligibility.

I know that my colleagues on both sides of the aisle join me in strong support of the worthwhile effort to bring socially and economically disadvantaged business owners into the mainstream of American opportunity as quickly and as efficiently as possible.

TRIBUTE TO STATE REPRESENTATIVE LARRY MANAHAN

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. GILLMOR. Mr. Speaker, I want to take this opportunity to pay tribute to an outstanding public servant in northwest Ohio.

State Representative Larry Manahan will retire from the Ohio Legislature at the end of this year. Since he was first elected to the Ohio House of Representatives in 1978, Larry Manahan has served the people of Ohio's 79th District with honor, integrity, and patriotism.

When I served as a State senator and as president of the Ohio Senate, I felt fortunate to meet legislators who showed a unique and unwavering commitment to principle. I found Larry Manahan to be one such individual. In his 13 years of distinguished service, he never abandoned his belief in fiscal restraint and free enterprise.

Whether as a soldier in the Korean war, the president of his local city council, or as a Sunday schoolteacher, Larry Manahan has always earned the respect of his peers. He certainly has the deep respect of this Congressman.

Mr. Speaker, I wish State Representative Larry Manahan a happy, healthy retirement.

PROTECT PENNSYLVANIA'S RIVERS AND STREAMS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. KOSTMAYER. Mr. Speaker, Pennsylvania is a State of rare and exceptional beauty.

In southeastern Pennsylvania where I come from, small 17th-century villages dot some of the most verdant and lush countryside in North America.

In central Pennsylvania lies a vast and ancient forest, the Allegheny, and from the northeast to the southwest the ragged Alleghenies march across the landscape.

In the midst of all this run Pennsylvania's rivers, weaving a watery network that remains unprotected and vulnerable.

In 1978, legislation I wrote to protect the upper third of the Delaware River was enacted into law, blocking a proposed dam which would have destroyed the character of one of the East's last free-flowing rivers.

Just this year, legislation I introduced with Mr. CLINGER to protect 86 miles of the Allegheny River was signed into law.

But today, more of Pennsylvania's rivers and streams need protection.

For example, a developer is now proposing to build a sewage plant which would discharge 500,000 gallons of effluent into the Valley Creek, which flows through Valley Forge National Park.

The Brandywine Creek in Chester County, one of the Nation's fastest growing counties, faces enormous development pressure and the threat of sewage effluent.

The Swatara Creek, in central Pennsylvania, faces the very real possibility of a landfill being built on its banks.

Today, Mr. Speaker, I am introducing the Pennsylvania Wild and Scenic Rivers Act to study over 600 miles of river in Pennsylvania for possible inclusion in the National Wild and Scenic River System.

This legislation is one of the largest river protection bills ever introduced in the Congress. This bill will protect rivers all across the state, from the Brandywine in the east to the Tionesta Creek in the west.

Along with fellow Pennsylvanian's Mr. WELDON, Mr. KANJORSKI, Mr. KOLTER, Mr. YAT-

RON, and Mr. MURPHY, I am today introducing the Pennsylvania Wild and Scenic Rivers Act of 1992, which can make a real difference in the preservation and protection of rivers and streams in Pennsylvania.

HONORING THE LIFE OF A LOVING AND CARING PERSON; MRS. JEANNE HYDE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. FASCELL. Mr. Speaker, it is with a good deal of compassion that I pay tribute to Mrs. Jeanne Hyde, the wife of my friend and colleague for many years, U.S. Representative HENRY J. HYDE of Illinois.

Mrs. Hyde, who died recently after a lengthy illness, was known to her friends, co-workers and acquaintances for her loving kindness and unfailing sense of caring for others.

At her funeral she was remembered by her four children as a mother "who make it easy for us to love her."

A family friend said she had the type of personality that "allowed her to cut through the formalities, whether with the President of the United States or housekeeping staff at the White House."

Others described her as "graceful and respectful of everyone"—a wife, who often faced the rigors of the campaign trail with her husband and yet treated everyone as part of her own family.

Jeanne Hyde grew up in Arlington, VA and attended George Washington University here in the District of Columbia. She and the future congressman met while he was a student at Georgetown University. They raised their family in Illinois and then returned to the Washington area after Mr. HYDE began serving in Congress.

Mrs. Hyde worked in both the Reagan and Bush administrations as a presidential aide in the Office of Public Liaison, and Office of Correspondence.

This is where she gained a reputation for the compassion with which she answered last requests from sick children, or correspondence from the grieving parents of slain servicemen.

"She always knew what to say," said one of her colleagues. "She taught a lot of people how to care."

I offer my condolences to my friend, HENRY, on Jeanne's passing. Her caring and understanding will live on in the work she did and the family she raised.

The world is certainly a better place for her having lived among us and we all feel honored in having known her.

Our prayers and understanding are with HENRY and her family.

A TRIBUTE TO THE NEW HAMPSHIRE PARTICIPANTS OF THE ODYSSEY OF THE MIND PROGRAM

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. SWETT. Mr. Speaker, I rise today to pay tribute to the students who participated in this year's Odyssey of the Mind Program. I would also like to commend the parents, teachers, and other volunteers who donated their time and effort to help these students obtain such a high level of academic achievement.

The one million Odyssey of the Mind participants, ranging in age from kindergarten to graduate school, creatively solve complex problems using the teamwork approach.

The Odyssey began with students competing against their fellow schoolmates for the right to represent their institution in later State, regional, or provincial contests. These competitions culminated at the world finals at the University of Tennessee. It included representatives from eight countries in addition to those from the United States.

Mr. Speaker, I ask my colleagues to join me in commending each and every one of the students who participated in the Odyssey of the Mind Program. In particular, I would like to laud the accomplishments of those participants from my district in New Hampshire. They are: Luke D'Allesandro, Micheal Golding, Aric Gray, Jessica Lubrano, Kevin Mortimer, Russell Hankins, Jared Groves, Brian Marvin, Jessica Le May, Stacey Starner, Barry Moeckel, Kristen Tarsia, Matt Crowley, Craig Moore, Matthew Puirier, Christopher Bassett, Carey Huxsaw, B. Travis Henry, Matthew Ferland, Kerri Foley, Matthew Newcomb, Eleanor Williams, Mara D'Angelo, Beth Newhall, Matt Lafond, Kelly Letourneau, Erica Gunderson, Pikyan Kwan, Andrew Toupaj, Craig Halbmaier, Michelle Provencal, Farah Bushashia, Kara Hubbard, Joel St Germain, Dave Vercellin, Abby Call, Marcus Jurado, Mac Lean Pancoast, Jared Kramer, Ashleigh Ferguson, Tom Parsons, Kristy Walker, Jeffrey Lynn, Ian Quinn, Samantha Chase, Donald Schneider, Karen Broderick, Martha Prizio, David Rittenhouse, Tom Burton, Norah Freeston, Steven Diem, and Adam Robinson.

Mr. Speaker, I need not remind my colleagues that America's children are America's future. It is unfortunate that so many times our Nation focuses on the faults of our youth and neglects students, like these, who are participating in truly worthwhile activities. A sound educational system must be at the top of our list of priorities if we are to remain the vanguard of the new world order. I encourage my colleagues to join me in support of educational programs like Odyssey of the Mind, and in congratulating these remarkable young Americans.

ATKINS PRAISES ELDER HOUSING PROVISION

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. ATKINS. Mr. Speaker, I rise today in support of the Housing and Community Development Act, and in particular, the provisions relating to elder housing.

As many people in the House are aware, the Appropriations Committee included language in the VA–HUD bill to solve the crisis of mixed populations in elder housing. This language, which I worked on with Representatives BRIAN DONNELLY and GERALD KLECZKA, was struck on a point of order by Chairman GONZALEZ. But the chairman pledged that he would bring a bill before the House to address this crisis. I am pleased that in less than 1 week after this provision was struck in the VA–HUD bill, virtually the identical language was included in today's bill.

In 1990, when Congress expanded the definition of disabled, we created a crisis in elder housing. Under the new law, nonelderly disabled individuals, many with substance abuse and mental illness disorders, were housed in the same units as the elderly. This created an untenable situation. In Dorchester, there was a tragic case where a 25-year-old mentally disabled male raped a frail elderly woman. In elderly units across the country, complaint after complaint poured in to local PHA's concerning noise, crime, and lifestyle differences between young disabled individuals and their elderly neighbors.

This new legislation is a win-win situation. For the first time ever, disabled individuals will be guaranteed special construction and rehabilitation funds. For the first time, units will be set aside for the disabled community. And finally, for the first time, disabled individuals will be able to live in federally assisted housing with neighbors their own age.

For the elderly, they will be able to live in units set aside for people above age 62 only. And soon we will no longer hear complaints concerning noise, drugs, and intimidation in elderly units.

Secretary Kemp has urged the President to veto this legislation because it does not include a large enough authorization level for HOPE. I hope the President ignores the Secretary's advice. The authorization level for HOPE is still greater than the level included in last year's appropriations bill, and the Secretary has to be realistic about what this Congress can afford in the face of a deficit which is growing by $11,000 per second.

This elder housing provision is one of the most important legislative accomplishments for housing in years. It will have a greater effect on the quality of life for the elderly and disabled than any other pie-in-the-sky housing program.

Mr. Speaker, I am proud to have been part of the solution on the mixed population crisis, and I am proud to cast an aye vote on the bill.

COMBAT READY: SEXUALLY ASSAULTED BY ONE OF HER IRAQI CAPTORS, MAJOR RHONDA CORNUM STILL THINKS WOMEN SHOULD GO TO WAR

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mrs. SCHROEDER. Mr. Speaker, I want to share with our colleagues a story about Army Major Rhonda Cornum, who was sexually assaulted as a prisoner of war during Operation Desert Storm. Despite this assault, she still believes that women should be fully integrated into the military and that the combat exclusion for women should be repealed.

As the military deals with the problems of sexual harassment and assault in a variety of arenas, we must reject the insidious premise that women should be excluded from service because sexual harassment and assault occurs. Instead, the military needs to work to eradicate sexual harassment and assault. Major Cornum's outstanding service in the Army once again shows that women are an invaluable asset to our military.

On Feb. 27, 1991, the fourth day of the Persian Gulf ground war, Maj. Rhonda Cornum, flight surgeon for the 2-229th Attack Helicopter Battalion, found herself aboard a Black Hawk chopper on a mission to rescue a pilot shot down over Iraq. Suddenly rounds of antiaircraft fire ripped into the Black Hawk, and Cornum, crouched on the floor, knew the helicopter was about to go down. "I thought, 'Well, I wonder if this is the end. It was a great life,'" she says. Knocked unconscious in the crash that followed, she awoke in the desert, both arms broken, one knee smashed and a bullet in her shoulder. She was surrounded by Iraqi soldiers.

Cornum, 37, had become a prisoner of war. Her captivity would be mercifully brief—just one week. But it is hardly forgotten. One of only two American women taken prisoner during the gulf conflict, Cornum, as she recently told a presidential commission on women in the military, was sexually assaulted by an Iraqi Republican Guardsman after her capture, and she now finds herself at the center of a debate over whether women should serve in combat positions. "I wasn't allowed to fly jets or drive tanks, and I was still captured," she says. "Combat exclusion isn't preventing women from getting captured; it's just keeping them from the kinds of jobs they might want." Yet Cornum, who has just published a book about her experiences, She Went to War, is not entirely comfortable with her new role as spokesperson. "I never meant to be an example of anything," she says.

In fact, she has been an example of rugged individualism most of her life. She grew up near Buffalo, the daughter of Don Scott, a toy designer, and Jeanne, a housewife. A top student, she earned her B.A. and a Ph.D. in biochemistry at Cornell University, then joined the Army in 1978 in order to work at the Letterman Army Institute of Research in San Francisco. She had given little thought to the military commitment involved but took to the training like a born soldier.

As her career advanced, her marriage to a college beau fell apart. Undaunted, she entered the Uniformed Services University medical school in 1982. There she met and married Kory Cornum, now 34, an Air Force major. The pair qualified as flight surgeons and pilots and bought a farm in DeFuniak Springs, Fla., between Fort Rucker, where Rhonda did research and headed the outpatient clinic, and Eglin Air Force Base, where Kory was stationed.

When the U.S. sent soldiers to Saudi Arabia in August 1990, both Cornums jumped at the chance to go. "No one wants war, but if you've trained to do something, you want to go do it," Rhonda says. She and her husband were in different units and were sent overseas separately. Cornum says her daughter from her first marriage, Regan (who stayed with her own father in North Dakota during the war), understood that her mother was "not committed to the military only on the Fourth of July. I'm ready to die for this."

She was less ready for her experience in the back of an Iraqi truck the first day of her captivity. As a fellow American prisoner watched helplessly, a guard unzipped Cornum's flight suit and attempted to rape her. When she screamed in pain as he jostled her broken arms, he resorted to manual penetration. Cornum, focused on her survival, told herself, "Rhonda, nobody ever died from pain, and you're not gonna."

She maintained a brave facade throughout her captivity, four days of which she spent in a Baghdad hospital. "I did feel bad that I was causing worry to my family," she says. While she was still a POW, the war ended, and Kory was notified that his wife was missing in action. Yet even as her family agonized, Cornum was freed—transported, along with other prisoners, to a hotel where she was met by the Red Cross. She and Kory had a joyous reunion on a Navy transport ship in the gulf.

Today, after months of rehabilitation, Cornum's arms and knee are fully healed, the assault nothing more than an "unpleasant" memory. She is planning to pursue a residency in urology, and whether women get the OK from combat or not, she will stay in the military as long as she can. "When my eyeballs go to crap and I can't bend my knees enough to get in an airplane, I'll probably quit flying," she says. "But until then, well, I don't see much changing."

INCOME AND SOCIAL MOBILITY IN THE 1980'S

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. CRANE. Mr. Speaker, many politicians would like the American people to believe that in the 1980's the rich got richer and the poor got poorer. Aside from the fact that I disagree with this conclusion, the problem with such an assertion is its assumption that the same people remained in each category throughout the decade. An editorial which appeared in the Wall Street Journal on June 16, 1992, examines a recent Treasury Department report on social mobility and concludes that the "American Dream" was indeed alive and well in the 1980's. As the editorial explains, the Treasury report found that 65 percent of those in the bottom income quintile in 1977 moved up at least two quintiles by 1986. I submit this editorial to my colleagues and urge them to read and consider its conclusions:

[From the Wall Street Journal, June 16, 1992]

INCOME DYNAMICS

We've remarked several times now on the tortured statistics being thrown around in the debate over the distribution of income. One of our regrets is that the simplistic use of these arcane statistics paints a totally inaccurate picture of American society.

The usual methodology is to break down families or households into five groups of 20% each: the top, bottom and three middle quintiles. If the difference between top and bottom increases over a decade or so, incomes are becoming "more unequal." The unspoken assumption is that the same people inhabit the same quintiles in year 10 as in year one. This assumption is anything but accurate in a society as dynamic as America. With social mobility, people move up the quintile ladder, and down.

Happily, two new studies have come along to inject this missing factor of mobility into the "fairness" equation—one from the Treasury's Office of Tax Analysis, and the other from the liberal Urban Institute. In the words of the Urban Institute article by Isabel Sawhill and Mark Condon: "When one follows individuals instead of statistical groups defined by income, one finds that, on average, the rich got little richer and the poor got much richer."

The Treasury study measures movement among the quintiles. It picked out 14,351 representative taxpayers and tracked their progress through the quintiles between 1979 and 1988. In no quintile was turnover less than 33% during the decade. In the bottom three, at least 66% of the occupants changed quintiles, generally trading up. In fact, taxpayers were more likely to rise than fall by odds of nearly five to one, excluding people in the top quintile who had nowhere to go but down.

What about those who started the decade in the bottom quintile? Sixty-five percent moved up at least two quintiles during the decade. Indeed, more of these poorest taxpayers made it all the way to the top quintile than stayed in the bottom one. These findings may be at odds with America's mood at the moment, but they provide a healthy perspective. "I suspect people's root fear is that there is no mobility," Treasury's Glenn Hubbard tells us. "If that's their fear, it's misplaced."

The Urban Institute study was even more revealing, working with data from the University of Michigan's 20-year longitudinal studies of incomes, which include non-taxpayers who wouldn't show up in the Treasury methodology. They break their findings up for the decades 1967–76 and 1977–86. In both, nearly half of those who started in the bottom quintile were up and out 10 years later.

The Urban Institute then proceeded to calculate the income gains of those who started out in each quintile. The progress of the 1977 quintiles is displayed in the accompanying chart. This pattern is familiar to experts, the Sawhill-Condon article says, but "may be surprising to the general public, which has been led to believe that the poor were literally getting poorer over the last decade or two, and that the incomes of the rich were skyrocketing. This is simply not true."

INCOMES AND SOCIAL MOBILITY—HOW 1977 QUINTILES FARED IN 1986

[Average family incomes, in 1991 dollars]

1977 quintile	1977 income	1986 income	Percent gain
Bottom	$15,853	$27,998	77
Second	31,340	43,041	37
Third	43,297	51,796	20

INCOMES AND SOCIAL MOBILITY—HOW 1977 QUINTILES FARED IN 1986—Continued

[Average family incomes, in 1991 dollars]

1977 quintile	1977 income	1986 income	Percent gain
Fourth	57,486	63,314	10
Top	92,531	97,140	5
All	48,101	56,658	18

Note: Sample limited to adults, ages 25–54 in 1977.

Source: Urban Institute.

How do people catapult themselves up the income scale? Mostly by old-fashioned sweat. They grow older, more experienced and more valuable to the economy; the bottom quintile then fills up with younger, inexperienced and less valuable workers starting their careers. The Treasury found, for instance, that wages and salary accounted for 88% of the total income of those who climbed from the bottom quintile to the top during the 1980s.

Everyone agrees that incomes measured in the usual static way have become somewhat less equal. Since the Urban Institute study finds that mobility didn't change much between the two decades measured, this suggests lifetime incomes will turn out less equal as well. Ms. Sawhill and Mr. Condon say this is a result of "technological changes and international competition, which have put a high premium on education and experience. The rewards for both have been increasing since the late 1970s."

Nothing here denies we have serious social problems with the homeless or gangs or broken families, but the solution to these problems is not likely to be found by trying to change the general distribution of incomes. The usual proposal to use the tax system to redistribute income assumes that society is a fixed hierarchy, and that income transfers are necessary to ameliorate the condition of those stuck permanently at the bottom. But such policies may undermine incentives and thus the economic growth that keeps the quintiles fluid.

Properly understood, the real lesson of income statistics is that we need to improve education and fire up the Great American Jobs Machine. When we talked to Ms. Sawhill, she put it in a nutshell. "Economic growth is critical."

STOP THE KILLING IN BOSNIA-HERZEGOVINA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. LIPINSKI. Mr. Speaker, the State Department has confirmed that Serbian forces are operating a number of concentration camps in Bosnia-Herzegovina. These camps are home to thousands of Bosnian civilians living in brutal and barbaric conditions.

A partially disabled man shows the bruises of vicious beatings at the hands of his captors. A woman tells of nourishing herself with a piece of bread every other day and few drops of muddy water. Others report dead bodies piled up in a nearby river. Estimates vary, but there is strong reason to believe that more than 1,000 of the hostages have been murdered.

The concentration camps are part of Serbia's policy of ethnic cleansing, by which it hopes to cleanse Bosnia-Herzegovina of non-Serbs. Entire Muslim towns are uprooted, their population captured or dispersed, and their homes occupied by Serbs. Bosnia-Herzegovina's population was only one-third Serbian in 1990; it will be fully Serbian by the time they are finished.

The existence of concentration camps and ethnic cleansing presents a chilling reminder of the Nazi Holocaust. The victims are different—Muslims and Croats instead of Jews—but the tactics are the same.

Unfortunately, the Bush administration's response to the latest atrocities is no different than its response to the Yugoslav crisis from the beginning—nothing. All we hear from the White House and the State Department is that they "are deeply concerned." I think it is more appropriate to say they are, "deeply concerned but unwilling to get involved."

Well I am deeply concerned too, but this is not enough. We must get more actively involved.

I call on the administration to lead a United Nations effort to forcibly end the war. Though I once had high hopes for accomplishing this through economic sanctions, it is now clear that sanctions will not stop the Serbian war machine.

It is time the United States, together with its European allies and the United Nations, places a firm deadline on Serbia to cease its aggression. If that deadline is not honored, we must be prepared to intervene and enforce a cease-fire militarily. U.N. forces deployed to Bosnia-Herzegovina would simply act as a barrier to divide the opposing combatants. Their role would not be to drive out the Serbs—we would leave that to negotiations—but they would be authorized to respond to attacks and take measures to insure their safety.

I do not take the prospect of military intervention lightly. But we have exhausted all of our options. Our only choice is to let the killing of innocent civilians continue or to end it with force. Mr. Speaker, I think the choice is clear.

CONGRATULATIONS DICK PETTIGREW

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. SKEEN. Mr. Speaker, I want to take this opportunity to recognize a dear friend and longtime colleague, who has recently been awarded the highest honor of the National Society of Professional Engineers' [NSPE] Professional Engineers in Private Practice [PEPP]. The PEPP award may be given annually to an engineer who has favorably influenced the practice of consulting engineering and has advanced the recognition of the role of the private engineering practice in serving the public interest.

Mr. Dick Pettigrew of Clovis, NM, is the 1992 recipient of the PEPP Award. Professionally, Dick is a leader in his field. In fact, his résumé reads like a "who's who" of the engineering world. His exceptional career was launched in 1951 as a survey party chief for Atlantic Refining Co. in Dallas, TX. Later, Dick worked for the Inter-State Construction Co. of Nashville, TN, before a succession of public jobs, including assistant highway engineer for the California Division of Highways, project engineer for the New Mexico State Highway Department, and county engineer for Lea County, NM.

Dick launched his private career in 1965, when he founded Pettigrew & Associates, a professional civil engineering firm. He has served as chairman and southwest region vice chairman of the National Society of Professional Engineers/PEPP and vice president of NSPE's southwest region. In addition, Dick has held virtually every office in the New Mexico Society of Professional Engineers. It should not go unmentioned that two of Dick's five children have followed him into the engineering world and, along with his son-in-law, are partners in the firm Dick founded.

By example, Dick has shown how a true professional engineer functions, not only in his professional capacity, but also as a contributing member of the community. As an engineer myself, I am pleased to count Dick Pettigrew among my friends and proud that his accomplishments have been recognized by the NSPE's Professional Engineers in Private Practice. I know his family and friends in Clovis, NM, join me in congratulating Dick Pettigrew on this award, which is most assuredly the crown jewel of his engineering career.

SUPPORT FOR THE NATIVE AMERICAN VETERANS' HOME LOAN EQUITY ACT OF 1992

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in support of legislation being introduced today by Congressman LANE EVANS with Congressman NEIL ABERCROMBIE, and myself as cosponsors. This bill, entitled "The Native American Veterans' Home Loan Equity Act of 1992," will provide for a demonstration project of direct home loans to native Americans who are veterans of the Armed Forces of the United States.

Veteran American Indians, Native Alaskans, native Hawaiians, native American Samoans, and other Pacific island natives find it very difficult to obtain funds to construct or repair homes in their native lands. The problems range from lack of certified appraisers to reluctance of conventional lenders to loan money for homes to be located on land which cannot be owned by individuals.

As a result of these problems, many of our Native American veterans find home ownership an impossible dream. In support of this dream I am in full support of this legislation.

TRIBUTE TO JOYCE STANTON TAUTENHAHN

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Ms. SLAUGHTER. Mr. Speaker, I rise today to share with my colleagues the story of a courageous young woman, Joyce Stanton Tautenhahn, and her family.

Joyce died last year at the age of 34. She succumbed to a recurrence of clear-cell cancer caused by her inutero exposure to DES. Her loving mother, Margaret Stanton of San Antonio, asked me to tell Joyce's story to my colleagues in Congress so that Joyce's death might have some positive meaning, just as her life was so full of significance for those whose hearts she touched.

In the late 1950's, Margaret Stanton very much wanted to have another child. She had trouble carrying previous pregnancies to full term and, trusting the counsel of her physician, accepted the drug he prescribed for her. It was diethylstilbestrol, or DES, and it promised not only healthy, full-term deliveries, but "bigger and stronger babies too." In good faith, Margaret took DES and gave birth to a baby girl whom she named Joyce.

Twenty-three years later, Joyce was diagnosed with DES-related clear-cell cancer of the vagina. She underwent radical surgery and lost the ability ever to bear children of her own.

As devastating and painful as the cancer and surgery were, Joyce and her husband Paul did not give in to anger and they refused to give up on life. They adopted an infant girl, Kimberly, and gave her both a loving family and a loving home.

Joyce's great love of children found another outlet in teaching. She was a very talented and beloved elementary schoolteacher and a committed volunteer in many church and civic activities. To the friends she had made through the DES Cancer Network, an international educational network of DES-exposed cancer survivors, Joyce was also a tower of strength and a great source of inspiration and support.

To the very last day of her life, Joyce was all of these things and more. When she learned that her cancer had recurred, Joyce began a valiant campaign to find for her friends in the cancer network and for millions of DES-exposed individuals she would never meet the answers to their haunting health questions about the long term health effects of DES exposure.

What is the chance that clear-cell cancer will recur and is there a successful treatment? What is the cancer risk to DES mothers and DES sons? How has DES affected the autoimmune and reproductive systems of those exposed to the drug? What will be the effect on the grandchildren? And, in the 22 years since DES was found to cause cancer, why hasn't research been done to find these answers?

In the last 2 months of her life, Joyce Stanton Tautenhahn worked with her friend Darci Picoult and producers at WGBH in Boston to bring these urgent questions to the American public and educate the country about the DES tragedy. With a grant from the Robert Wood Johnson Foundation, WGBH was able to tell the story of DES in a segment of The Health Quarterly which will air on PBS stations on August 10, 1992. The segment, entitled "Children of DES," explores the DES tragedy and gives it a human face—that of Joyce Tautenhahn and other DES exposed individuals who bravely revealed their very personal stories so that the cause for DES research and public health education could be advanced.

Mr. Speaker, the classroom where Joyce met with her students seems a little emptier now that she is gone, but Joyce still has a very important lesson to teach. I hope my colleagues will watch The Health Quarterly on August 10 and let Joyce Tautenhahn's voice touch them and teach them as it touched all those who knew her in life.

KENILWORTH, NJ, HONORS FIREFIGHTER HENRY McGEEHAN

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. RINALDO. Mr. Speaker, the contribution of our citizens to volunteer services in their communities is one of the great assets and strengths of America. In one of the most important books written about America, Alexis de Toqueville remarked in 1831 on the fascinating ways in which Americans solved problems without the intrusion of government. He wrote: "I have often seen Americans make great and real sacrifices to the public welfare, and I have noticed a hundred instances in which they hardly ever failed to lend faithful support to one another."

That spirit of early America survives in places like Kenilworth, NJ, where men and women devote many hours of their time without pay to protect the lives and property of their fellow citizens. One such volunteer, Henry McGeehan, will be honored by the Kenilworth, NJ., Fire Department and Rescue Squad on August 30.

Henry McGeehan has a remarkable career of public service covering a period of over 53 years. It began in November 1938, when as a young man, he joined the Kenilworth Volunteer Fire Department. The small borough was surrounded by farms and open fields, and it was not until after World War II, when our returning veterans and their families moved out to the suburbs, that Kenilworth began to grow with new single family homes, schools, small businesses, and light industry.

Without the service of volunteers like Henry McGeehan, the people of Kenilworh would have been dependent on fire and first aid services from their neighbors in Union, Cranford, Roselle Park, and Elizabeth. But Henry McGeehan, who helped to organize the first rescue squad in the Kenilworth Fire Department, appealed to his friends, neighbors and other returning veterans to establish their own community service, and it become an indispensable and dependable source of help.

Over a period of 53 years, the Kenilworth Fire Department and Rescue Squad has saved countless lives, and aided the injured and the victims of fire, crime, and accidents. It has literally become Kenilworth's life saver, and it has been accomplished with volunteers like Henry McGeehan, who is still an active member.

During that period, Henry McGeehan served as vice president, captain of company 2, second assistant chief, and chairman of the ambulance fund drive. In many ways, Mr. Speaker, his service to the community and to our Nation, which he served for 12 years as a sergeant in the Army National Guard, represents the true spirit of patriotism—someone who is willing to make personal sacrifices for his community and his country.

I join with his many friends and the people of Kenilworth in saluting Henry McGeehan, his devoted wife, Agnes, and their children, William, Lydia, Henry Jr., Roger, and Carol for supporting and encouraging him to come to the aid of his country and his neighbors. Henry McGeehan symbolizes the generosity and good will of the American people, and Kenilworth is proud of him.

GATT AND INTELLECTUAL PROPERTY RIGHTS

HON. WAYNE T. GILCHREST

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. GILCHREST. Mr. Speaker, it is my sincere hope that our negotiators are able to achieve success in the GATT negotiations. I believe that a freer and fairer world trading environment with our neighbors and major trading partners will mean economic growth and jobs for Americans. In order to accomplish this objective, a future GATT agreement must include protection for intellectual property rights.

There is no doubt that a successful agreement to the Uruguay round of GATT would introduce a blueprint for international trade and will open up new trade opportunities globally. It is also clear that with the entrance of the former Eastern bloc countries and the continuing emergency of Third World countries, a strong GATT is necessary to insure a fair and profitable relationship among all of the participating countries.

A ratified GATT would be beneficial to the United States in terms of reducing barriers of U.S. exports into foreign markets. By opening new markets for U.S. goods, American products will be more competitive against foreign competition. Therefore, new opportunities will be created for U.S. exports in such areas as manufacturing in computers, telecommunications, electronic components, and agriculture.

According to U.S. Trade Representative Carla Hills, the United States expects to reap great rewards from the successful conclusion of the Uruguay round. A successful GATT will stimulate increases in U.S. growth. Since 1988, export expansion has been responsible for 70 percent of total growth in the U.S. GNP. An open multilateral trading system is the best guarantee that U.S. export opportunities continue to expand.

However, several stumbling blocks stand in the way of a final agreement to the GATT ne-

gotiations. A major concern of mine is the ratification of GATT without a strong policy for the protection of intellectual property rights. I firmly believe that to ratify GATT without a strong policy for the protection of intellectual property rights could be detrimental to our country. If American multinational firms are to be competitive abroad, a substantial investment and commitment of millions of dollars will be made in research and development. How are American companies supposed to be able to profit from being able to compete more easily abroad, if other competitors can just come in and pirate our ideas and concepts?

Currently, U.S. companies are losing billions of dollars annually to pirates in Asia and Latin America. Examples of those products that are being pirated are pharmaceuticals, pesticides, fertilizers, plastics, copyrighted software, movies, sound recordings, and books. In recent months, the Bush administration and the Department of Commerce have cracked down on some of the worst violators of these intellectual property abuses including countries such as China, Thailand, and Taiwan. Only by threatening these countries with revocation of their most-favored-nation [MFN] status has the United States been able to force these counties to enforce even the most basic international patent and copyright standards.

GATT Director General Arthur Dunkel has proposed the establishment of uniform protection of intellectual properties, which include copyrights and patents. An agreement was made on behalf of developing countries that would allow for a 10-year transition period before these proposals went into effect. The benefits of the Dunkel proposal for American companies include a package that would increase copyright protection for software, setting patent protection for 20 years and copyright protection for 50 years. Also, the package contains for the first time, international rules on trade in services, and rules that would force developing nations to open their markets to American financial services and telecommunications companies.

I am pleased that the Dunkel text includes the enforcement of intellectual property rights by creating a multilateral dispute settlement process which support the interests of multinational companies that operate globally. Unfortunately, in order to comply with GATT, the United States will have to give up the power created by the "Special 301" action, provided for under the 1988 Trade Act, which authorizes retaliation within 6 months of the initiation of a formal review of specific intellectual property rights. As mentioned before, the Bush administration has made significant progress in forcing countries to establish and enforce intellectual property rights. However, I believe that having a uniform international trade policy concerning intellectual property rights will be extremely beneficial in the long run because all participating countries under GATT, including those that have weak or no intellectual property rights laws, will have to abide by the new rules.

I think that, while the Dunkel text does have some drawbacks concerning intellectual property rights, the proposal will eventually curb some of the worst abuses of pirating that occur. I strongly believe that in order for GATT to be effective, there must be strong international laws to enforce the protection of international property rights. It is my hope that American multinational companies will have the confidence to aggressively seek new markets and become even more competitive with our competition abroad so that our economy will grow due to the new opportunities that will be created by a strong GATT.

SALUTING MORRIS PESIN, THE "FATHER OF LIBERTY STATE PARK"

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. GUARINI. Mr. Speaker, I ask that you and my distinguished colleagues join me in saluting Morris Pesin, who sadly passed away recently. He was a man whom many people reverently refer to as the "Father of Liberty State Park," which is in my district of Jersey City, NJ.

On Monday, August 10, the people of Jersey City and the State of New Jersey will honor the memory of Mr. Pesin and the tremendous work he performed on their behalf.

Morris Pesin was a man of the people. Throughout his lifetime, he fought for the rights of the proverbial "little guy." He has left a tremendous legacy by his dedication and hard work on behalf of the residents of Jersey City and all New Jersey.

Mr. Pesin's fight for the city and eventually Liberty State Park began with an historic canoe ride from Jersey City to the Statue of Liberty in 1958. After showing how close the great statue was to New Jersey, Mr. Pesin charted a course to set aside open land in Jersey City to allow all of its residents to enjoy the breathtaking view of the Statue.

The open land he helped to secure officially became known as Liberty State Park in 1976. Thanks to his efforts, residents of Jersey City and the surrounding area now have a free, open vista to use for recreation and the spectacular views of Miss Liberty and the New York Harbor.

In addition to fighting for Liberty State Park, Mr. Pesin was long recognized as a community leader who fought for the rights of all people regardless of their status. Working in conjunction with the NAACP in 1938, Mr. Pesin helped break discriminatory practices at local restaurants. In 1940, Mr. Pesin helped his brother, Meyer Pesin, break the color line at Palisade Park when he helped begin a Federal court action against the amusement park's discriminatory practices. Mr. Pesin also played a role, in 1945, in the founding of the Hudson County Committee for Fair Employment Practices.

Mr. Pesin's career as a public servant spanned 40 years. This included service as a councilman on the Jersey City Council, from 1969 to 1977. Mr. Pesin was also a member of numerous committees such as the Jersey City Planning Board, the Jersey City Cultural Arts Committee and the Historic Committee just to mention but a few. Mr. Pesin was also actively involved in saving and restoring the historic Hudson County Court House, now known as the Justice William J. Brennan, Jr. Courthouse.

And in 1982, Mr. Pesin was appointed by President Ronald Reagan to the Ellis Island Historic Preservation Committee.

While continually fighting for his city and its residents, the most important part of Mr. Pesin's life was always his family. He was devoted to his wife, Ethel, and his children Sammy and Judy. We offer them our most heartfelt sympathies.

Mr. Speaker, I ask that you and my distinguished colleagues join me in remembering Morris Pesin, a great American who is sorely missed.

A TRIBUTE TO THOMAS A. DUCKENFIELD, A COMMUNITY SERVANT AND ADVOCATE

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Ms. NORTON. Mr. Speaker, it is with deep regret that I say farewell to a dear friend and accomplished attorney, Thomas A. Duckenfield. Tom Duckenfield, a native of Richmond, VA, graduated from Hampton University with a B.S. in mathematics in 1957. In 1970 Thomas Duckenfield graduated from Georgetown University Law Center and later attended Southern Illinois University, Edwardsville, where he earned an MBA in 1977.

Tom's background reflects a wealth of accomplishments. He joined Washington Gas in June 1985 as assistant general counsel. Later that year, he was elected vice president and general manager of District of Columbia Natural Gas. Tom also formerly served as clerk of the Superior Court of the District of Columbia. Prior to that, he was Deputy Register of Wills for the U.S. District Court for the District of Columbia.

Thomas Duckenfield embraced the needs of the local community with his time and his heart. Here in the District of Columbia, he was active in an extraordinary of organizations that serve the people of the District of Columbia. Tom served on the boards of directors of the Washington Urban League, Combined Health Appeal, Neighborhood Economic Development Corp., Education in Partnership with Technology Corp., Council for Court Excellence, National Bar Institute, Junior Achievement of Metro Washington, Bar Association of the District of Columbia, National Institute for Consumer Education in Law, and D.C. Law Students in Court.

Tom Duckenfield made a special contribution to the African-American legal community. He worked tirelessly to organize black lawyers to serve the public, to shape the development of law and public policy, and to overcome the vestiges of discrimination in the profession. Tom served as president of both the National Bar Association and the Washington Bar Association and was constantly active on their various committees.

Adding to these remarkable accomplishments, Tom was appointed to the District of Columbia Judicial Nomination Commission

and the District of Columbia School of Law Board of Directors.

Thomas Duckenfield was a model family man as well. The only individuals who will miss him more than his many friends are his wife Evelyn; his three sons, Thomas, David, and Pace; his mother, Florence Duckenfield of Richmond; his three brothers, Benjamin, Hartwell, and Lloyd, all of Richmond; and a sister, Carrie Ampey of Sharon, MA.

Tom's commitment and his service will be missed. Most of all we will miss him.

U.S. INTERNATIONAL ENVIRONMENT LEADERSHIP RESOLUTION

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Ms. PELOSI. Mr. Speaker, today, I am introducing, with all 13 of my colleagues who served as congressional observers to the Earth Summit, the U.S. international environment leadership resolution, to follow up on the important work undertaken at that international meeting. We are pleased to be joined by Chairman DANTE FASCELL.

I urge my colleagues to join us in sponsoring this resolution and in supporting the objectives called for in Agenda 21, the blueprint for global environmental action.

The U.S. international environment leadership resolution would express the sense of the Congress that the United States should assume a strong leadership role in fulfilling the decisions taken at the Earth Summit by developing a national strategy to implement Agenda 21 through domestic and foreign policy. The President would be urged to develop a specific mechanism to coordinate U.S. policy for this purpose, under the leadership of a specific office and the direction of a high-level Government official.

The resolution also calls on the United States to identify and initiate further agreements to protect the global environment, to support the creation of a United Nations Sustainable Development Commission and to report to Congress on the status of these actions. This resolution is intended to support the work of the administration in developing a strategy to implement Agenda 21.

I hope you will join us in cosponsoring the U.S. international environment leadership resolution so that the initiatives of the Earth Summit can be realized at all levels of society, and so that our efforts to protect the global environment are continued.

WOMEN GYMNASTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. EDWARDS of California. Mr. Speaker, once in a while the high quality of a newspaper column can be considered literature. An example of this infrequent but happy phenomenon is the article in the Washington Post on July 31, 1992 filed in Barcelona by Tony Kornheiser.

[From the Washington Post, July 31, 1992]

GYMNASTS SMALL, SMALLER

(By Tony Kornheiser)

BARCELONA.—When they want to remake "The Wizard Of Oz," I know where they can get the new breed of Munchkins.

Women's gymnastics.

Little girls without bones who fly around the room, twisting, spinning and tumbling, and who, in the words of Dan Jenkins, "can do all the things my cat can do."

The audition is basically set up already, the way they march all the competitors around all four of the equipment stations—horse, uneven bars, balance beam and floor exercise. You watch these little sprites in bangs and braids, dutifully walking single file, and you swear they're going to break into, "Follow the yellow brick road."

Let's review some of the star members of the U.S. team. There's Shannon Miller, 4 feet 7 and 69 pounds. Sixty-nine pounds! I have washloads that weigh more. There's Kim Zmeskal, 4-7 and 80 pounds, and Dominique Dawes, 4-7 and 75. How did they find the team? Did they go into a fourth grade class, pick out the smallest girl, hand her a leotard and say, "You may be small enough to sleep in a sock drawer now, sweetheart, but you're coming home a star"?

On TV you can't truly tell how small they are because there aren't any fully formed people to compare them to—except Bela Karolyi, the mad hugger. When they put a whole team on the victory stand you sometimes see one girl towering over the others, and you think she's Gulliver, when in fact she's probably 5 feet 3.

Thursday night, at the all-around championships at Palau Saint Jordi, there was one North Korean, Gwang Suk Kim, who is listed at 4-5 and 63 pounds. Those are program numbers—the same way the Bullets used to list Wes Unseld at 6-9. Gwang Suk Kim couldn't have been more than 4-2 and 50. She made Shannon Miller look like Shelley Winters. There's a rule that every competitor must be at least 15 in the Olympic calendar year. They listed Gwang Suk Kim at 16. This girl wasn't 16 in dog years.

You may have wondered why there is no news in the column yet, and that is because it is completely impossible to follow what the hell is happening in an all-around championship, as four different exercises are going on at once, and if you watch one person for more than three seconds, you miss everything else, and you have no idea who or what people are clapping for. Ten minutes into the program my head was swiveling around like the kid in "The Exorcist."

The most impressive aspect of this midget circus is the concentration level of the competitors. Each individual floor exercise is accompanied by a musical score blasted loud enough to be heard in Madrid. Everyone else has to do their vault or their beam or bar work with the music going. And, of course, sporadic applause for one woman's work regularly interrupts the others. It makes you wonder how come golfers can't hit a 9-iron unless everybody within 100 yards stops breathing.

And now the news: By nailing a last-chance flyer over the vaulting horse and grabbing a silver medal, 15-year-old Shannon Miller may have literally and figuratively vaulted into the lead in the race for America's Sweetheart. Granted, Miller's only a slip of a sweetheart; you could stick her on a wedding cake and still have room to write the Gettysburg Address in chocolate frosting. But with most of the U.S. women's medals being silver and bronze anyway, Miller is the medalist whose body weight is closest to the medal weight without going over the actual retail price.

Miller was in fourth place with one apparatus to go, in her case the vaulting horse. Now my feeling is, the way these kids sprint down the runway, then do a handstand off a springboard that propels them into the horse, which they push off, and then twist and turn in the air like a balloon with the air escaping. My feeling is, if you can come down anywhere inside the gym you ought to get a medal. Miller's vault was so good, she should have gotten a 10—if Nadia did it, she'd have gotten an 11. The judges gave Miller a 9.975, which was the best score of the night, and for a while she was flirting with gold, until Tatiana Goutsou of the Unified Team held her first place position with a good closing vault of her own.

Let me say that I admire the great skill and courage these young women show in gymnastics. I'm all for athletic events that give girls a chance to look up to a role model of the same sex.

But I have some problems with women's gymnastics. I have a problem with the obvious kiddie-porn bent, the emphasis on trussing little girls in tight, skimpy costumes, powdering and lacquering them, and having them parade around like nymphets; if Nabokov covered women's gymnastics, "Lolita" would have been a trilogy.

I have a problem with the way these girls are taught to fear the natural physical development of their bodies as if it was a death sentence, the way they are encouraged to stay as small and thin as possible, like some little caged birds they sell on the streets of Hong Kong. There's a clipped quality about some, a haunted look.

And I have a problem with parents who break up their families to accommodate some mad obsession, and send their daughters away from home, to professional coaches who promise to pound them into gymnasts. I thought one of the things we found abhorrent about totalitarian governments was this Orwellian assembly line approach to sports we now seem so eager to embrace.

There are a group of sports, including tennis, swimming and ice skating, where little kids are routinely hijacked and sent scampering off to the gulag of fancy promises. They give up their youth and sacrifice their bodies for the approval of a parent or coach, and many of them wind up emotional and physical wrecks. Gymnastics may be the worst because it claims them younger and spits them out faster. Many of the young ones suffer broken bones and tendon injuries because they are putting their bodies through torture before their bones and joints are developed enough to take the stress.

It's encouraging, at least, to know that four of the top six U.S. women's gymnasts live at home and have relatively normal childhoods—if you can ever consider the life of an elite athlete normal. We're told 15-year-old Shannon Miller goes to public school and fights with her brother. Let's hope the rest of her develops normally as well.

NATIONAL ORGAN DONATION AWARENESS CAMPAIGN BILL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. ROYBAL. Mr. Speaker, today I am very pleased to introduce the National Organ Donor Awareness Campaign Act of 1992. I am introducing this bill on behalf of the organ transplant patients, recipients, and their families. Unfortunately many people have suffered under the current system which is plagued with rationing, inefficiency, inequity, inconsistency, backlogs, inadequate funding, and outrageous costs.

Last year I chaired a House Select Committee on Aging hearing, entitled Organ Transplants; Choices and Criteria, Who Lives, Who Dies, Who Pays?" Witnesses testified about the tragedy of our current system, including a physician's determination not to place a patient on the waiting list for an organ solely because the individual had insufficient financial resources.

We must be aware that if this country continues at its current pace with medical technological advancements, increased life expectancy, now at 75.4 years, and with projections that the population of people age 65 and over will more than double by the year 2030, the problems we are facing today will be more severe as people live longer unless we act now. Consider the field of organ transplantation. The demand for organs is increasing and already with the current organ shortage, physicians are being forced to choose life or death for their patients. We must implement measures to reduce the discrepancy between the organ supply and demand before our children or a loved one spouse needs an organ—for then it may be too late.

Currently there are over 27,000 individuals waiting for an organ transplant in the United States. A new patient is added approximately every 20 minutes, and thousands more await tissue transplantation. It is estimated that up to one-fourth of these patients will die because a suitable organ is not located in time. Between 1988 and 1990, the number of deaths for people awaiting a transplant increased 35 percent. In 1991 alone, the total number of deaths for adults and children was 2,500. For those waiting for a transplant, the outlook is grim.

It is sickening and at the same time ironic that people are dying while waiting for a lifesaving procedure which is no longer experimental, but an accepted form of treatment for end-stage renal disease. Transplantation is one of the great miracles of modern medicine and the success rates have improved with the introduction of immunosuppressive drugs. People should not be denied access to lifesaving technology.

The main problem we are facing today in the transplant system is a severe organ shortage. Unfortunately, while the number of organ transplants increased, the number of patients on the United Network of Organ Sharing [UNOS] waiting list also increased. During 1988–90, the waiting lists for lung, pancreas, and liver each grew in size by at least 100 percent. One source, the 1990 Annual Report of the U.S. Scientific Registry for Organ Transplantation and the Organ Procurement and Transplantation Network, reported the total number of organ transplants increased by 17 percent between January 1, 1988, and December 31, 1990.

The key is education. By increasing public awareness about organ and tissue donation we can offer hope and save the lives of many chronically ill patients. This bill strikes at the core problem of the organ shortage in this country, the lack of education, information, and resources to help people understand and feel at ease discussing the issue of organ donation and transplantation. It calls for the Secretary to take immediate action by launching a national campaign to increase organ donor awareness, especially among low donor groups.

The National Organ Donation and Awareness Campaign implements a multifaceted and multilingual approach. Information will be disseminated through education, medical, clergy, legal, and other professions. Provisions are included to: Encourage organ donation especially among low donor groups; develop methods of overcoming language and cultural barriers; ensure equity, access, affordability, and efficiency; research the organ procurement and transplantation system and target problem areas; extend immunosuppressive drug coverage; promote special projects among minority populations; and promote a more efficient, cost-effective and harmonious system. It is my hope that through the education and research programs managed by this legislation that the number of organ donors will increase. Just as we have introduced AIDS education into the classrooms, medical and health professions and media, we must address the issue of organ donation so people will talk and act on this issue.

There is one more aspect of the bill which I would like to specifically highlight. I have included a special project grants for minority organ procurement. It includes provisions to address cultural, racial, and language minorities as well as employ translators in hospitals to help identify potential organ donors and facilitate communication with families and relatives.

This bill is not conclusive, but perhaps by taking this step in introducing this legislation, more people will have the opportunity to get a needed transplant and live a longer, healthier, more productive and enjoyable lifestyle. If we consider that the number of elderly in our population is rapidly increasing, we need to ensure preventive health is accessible at all stages in the aging process; providing access to organ transplants is one method. As people live longer, the demand for organs will increase.

We need this campaign. It is a reform proposal based on the testimony we heard at the 1991 Aging Committee hearing and a response to the 1991 report released by the Office of the Inspector General of the Department of Health and Human Services, which stated, "current organ distribution practices fall short of congressional and professional expectations."

We know the health care system in this country is in desperate need of repair and organ transplantation is just one area. It is a highly controversial issue, but with the current debates on health care reform and with numerous congressional proposals, it is obvious the people of this country have realized we need to act. I have introduced my U.S. health bill, which is representative of the many provisions included in this bill, such as access, cost-containment, quality, equity, and long-term care, especially for the aging population. I am introducing the National Organ Donor Awareness Campaign Act of 1992, as an incremental step toward reforming our Nation's health care system.

We need national health care reform. The condition of the transplant system is indicative of the problems which are plaguing the national health care system today. The issues of rationing health care, access, cost-containment, and quality are recurrent themes in the daily discussions about national health care reform. The organ procurement and transplantation system is one example where the importance and urgency of reform is blatant. We cannot make life and death decisions based on a person's race or socioeconomic status. Hopefully reforms such as the bill I am introducing today will help ensure quality controls and ensure an efficient and equitable system where people have access to quality health care. I hope you will join me in supporting this piece of legislation. I thank all those who have contributed to this piece of legislation.

MONTGOMERY COUNTY ATHLETES SHINE AT OLYMPICS: BARROWMAN AND JACOBI STRIKE GOLD

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mrs. MORELLA. Mr. Speaker, I am proud to bring to the attention of the Congress the accomplishments of a pair of my constituents, Olympic swimmer Mike Barrowman and Olympic canoeist Joe Jacobi.

On Wednesday, Mike set a new world record in the 200 meter breaststroke, winning for America, a gold medal, and, for himself, a place in history.

On this date 4 years ago, Mike Barrowman was a little-known swimmer who had graduated from Winston Churchill High School and had completed his first year as a student-athlete at the University of Michigan. Then, on August 11, 1988, he shocked the swimming world by breaking the existing U.S. breaststroke record not just once, but twice, swimming the world's second best breaststroke ever, in the morning and again in the evening. While most records in swimming are shaved by hundredths of seconds, not full seconds, Barrowman shaved more than a second off the existing American record.

Since 1988, in total he has set or tied six U.S. and world records, performing as the world's most consistent swimmer.

His secret has been a combination of incredible will power, dedication and persistence. In preparation for the 1992 Olympics, he has swum an average of 175 miles a month, 11 months a year, almost 2,000 miles per

year. His daily schedule has been spartan: Eat, sleep, and swim.

An outstanding coach has been an asset as well. Jozsef Nagy spoke little English when he became Barrowman's coach in 1986. It was Nagy, who, after watching films of a cheetah running with its shoulder coming up and its head falling forward, developed a style of breaststroke in Hungary called the wave action at which Barrowman excels. The wave action stroke is very difficult to master and Barrowman was the first American to attempt it.

Most Olympic athletes have only one chance at competing in the Olympics. Mike Barrowman went to the 1988 Olympics in Seoul, but finished fourth, not qualifying for a medal. Mike, never one to get discouraged, knew that he could do better and set as a goal the 1992 Olympics.

He accelerated his practices, and continuously found new ways to challenge himself. He swam laps in Ann Arbor under the tutelage of Michigan coach Jon Urbanchek and locally with coach Nagy and the Curl-Burke Swim Club at American University, Holton-Arms School, and the Twinbrook Club in Rockville. For the past 2 years, Mike arranged for two of his primary rivals, Spain's Sergio Lopez and fellow American Roque Santos of Chico, CA, to train with him based on the principle that they would all ultimately gain by learning from one another.

Mike's furious commitment to self improvement has been a model for the more than 20,000 youngsters who swim competitively in the Washington area, the 1,500 members of the Nation's biggest swim club, the Rockville-Montgomery Swim Club where Mike started swimming competitively, and for his colleagues on the Curl-Burke Swim Club.

I join the people worldwide who witnessed Mike's Olympic glory in admiring his determination and stamina.

On Sunday, Joe Jacobi and his canoeing partner Scott Straussbaugh of North Carolina surprised the whitewater racing world by paddling their quickest run of their lives and beating the reigning world champions by more than 2 seconds in the men's doubles whitewater slalom competition. Joe and Scott were the very model of synchronicity, maneuvering perfectly into and out of the 25 perilous gates.

Joe and Scott had raced together for 6 years, training fulltime for 3. As have so many of the Washington area's finest canoeists and kayakers, Joe went as a youngster to Valley Mill Camp along the Potomac River, where he developed the skill and love of whitewater paddling under the family run camp founded by May McEwan in 1956. Her son, Jamie McEwan and his partner, placed fourth in the same event that Joe Jacobi won the gold. As did Mike Barrowman, Joe graduated from Winston Churchill High School in Potomac and was attending the University of Maryland when he took time off to practice for the Olympics. He is one of five sons of Robert and Susan Jacobi, longtime residents of Bethesda.

Women's kayaker Dana Chladek, also of Bethesda, won a bronze medal Saturday. Five-time world champion canoeist Jon Lugbill, 1985 World Champion David Hearn, the men's doubles slalom team of Martin McCormick and Elliot Weintrob, and 1979 women's kayak World Champion Cathy Hearn also made strong showings for the U.S. team.

The Bethesda area is a particularly good training area for whitewater slalomists due to outstanding community support such as demonstrated by the Potomac Electric Power Co. PEPCO generously built an artificial whitewater slalom course at its Dickerson plant that simulated the Olympic course in Spain. PEPCO deserves great praise for helping our Olympians.

I am proud that my congressional district is home to some many world-class athletes. To paraphrase Shakespeare, the force of their own merit has made their way.

THE VILLAGE OF MARISSA, IL, CELEBRATES 125TH ANNIVERSARY

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. COSTELLO. Mr. Speaker, I rise today to bring my colleagues' attention to the village of Marissa, IL, founded in 1867. This year marks the 125th anniversary of the village, which is located in St. Clair County, the county where I was born and raised.

"The Friendly Village," a favorite nickname for Marissa, is home to 2,500 residents. The name, Marissa, was originally chosen by James Wilson, Jr., the first U.S. Postmaster, who selected the name from the book, "Antiquities of the Jews," by Flavius Josephus. Marissa, IL, is believed to be the only town in the world to bear its name. The book is currently on display at the Marissa Academy Building.

The Marissa Academy, which once housed a women's college, was founded in 1886, with the present building being constructed in 1891. It is the only academy building of its kind remaining in the State of Illinois. Both the academy and the Schneidewind Barn Museum are open for public viewing.

The village of Marissa has enjoyed an interesting history. Until 1971, there were two completely separate Marissa villages. One Marissa had saloons and was wet and the second Marissa had none and was dry. In 1971, an election decided in favor of the merger to create one village of Marissa.

Agriculture and coal mining play an important role in the village and provide the majority of jobs to the area. In fact, several 100-year-old farms and third generation mine families currently reside in the village. It has been my great pleasure to represent Marissa in Congress, and I have a strong affection for its hard-working residents and smalltown charm.

I would like for my colleagues to join me in recognizing the village of Marissa on this momentous occasion of its 125th anniversary celebration.

TRIBUTE TO WILMA SWIFT

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. TRAFICANT. Mr. Speaker, I rise here today to pay tribute to a wonderful woman from my 17th Congressional District. Wilma Swift was recently installed as president of the Ladies Auxiliary to the Veterans of Foreign Wars Department of Ohio.

Mr. Speaker, Wilma has been a member of Auxiliary 7614 in Johnston, OH, for over 36 years. She has held offices and chairmanships on all levels of the auxiliary. In June 1987, she was elected to the office of department guard and has gone through the chairs to her present position of president.

She began her rise as president of Auxiliary 7614 in 1959. In 1965 she became the president of district eight which comprises Mahoning, Portage, Summit, and Trumbull counties. From 1976–1978, she was president of the Trumbull County Council Auxiliary.

Wilma and her husband, George, have been married for 44 years. They have two daughters, and three grandchildren.

Mr. Speaker, it gives me great pleasure to rise here today to honor Wilma Swift, a woman who has given so much of her time to Ladies Auxiliary to the Veterans of Foreign Wars Department of Ohio.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1993

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. SWIFT. Mr. Speaker, on July 28 the House passed H.R. 5677, the Labor, Health and Human Services, and Education, and related agencies appropriations bill for fiscal year 1993. This comprehensive piece of legislation provides funding for a multitude of important federal programs. In particular, I wanted to comment on the funding for the Low Income Home Energy Assistance Program [LIHEAP].

We all know how expensive it is to heat a home in the winter. There are countless Americans across this country—ranging from the elderly to the young to the disabled—who face tremendous hardship during severe weather even though they may have what is considered to be adequate shelter. For many, the question becomes whether to pay the heating bill or the grocery bill and that is a choice that no one should have to make. LIHEAP has been enormously successful in helping thousands of families and individuals avoid having to make that most difficult choice.

For nearly a dozen years, LIHEAP has provided critical funding to States for energy assistance payments, energy crisis intervention and energy conservation. It has allowed thousands all across this country to remain warm

during the cold winters and cool during the hot summers. Last year in Washington State alone, LIHEAP assisted nearly 100,000 households with energy or crisis assistance and yet there are over 275,000 households eligible for the assistance. In addition, approximately 2,700 homes in Washington State received weatherization assistance; however, the Washington State Department of Community Development estimates that 165,000 homes need such assistance. And the folks that LIHEAP assists are the most needy in our country—three-quarters of Washington State LIHEAP recipients had annual incomes of less than $8,000.

Snohomish County, for example, in my own second congressional district has been able to assist nearly 5,000 homes with energy assistance—a large portion—43 percent—of those were households which had children under the age of 6. Unfortunately, it is estimated that LIHEAP is only reaching a third of those eligible in Snohomish County.

The appropriations bill passed by the House contains $891 million in nonemergency funding for LIHEAP which is a dramatic reduction—$609 million—over last year. Our budget situation has forced the Appropriations Committee to make some difficult decisions and I recognize that there were several other worthwhile programs which also received less funding than last year. However, at a time when we have more folks out of work because of the devastating effects of the recession and at a time when energy prices continue to go up, I strongly believe that we need to continue to support the Low Income Home Energy Assistance Program to the greatest extent possible. I am hopeful that sufficient funding for LIHEAP will be restored in conference so that we can take care of one of the most basic of human needs—having a home that is dry in the rain, cool in the summer and warm in the winter.

RECOGNITION OF THE MOUNT HOREB MUSTARD MUSEUM

HON. SCOTT L. KLUG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. KLUG. Mr. Speaker, in honor of National Mustard Day which we observe today, I rise to recognize the Mustard Museum in Mount Horeb, WI.

The Mount Horeb Mustard Museum, which is located in my congressional district, is the sponsor of National Mustard Day. The Wisconsin museum houses the largest collection of mustards in the world with 1,334 varieties from 48 States and several countries. Only mustards from Nevada and Alaska are missing from the U.S. portion of the collection. Since April of this year alone, more than 5,000 people have visited this unique south central Wisconsin attraction.

I would also like to take this opportunity to honor the Mount Horeb Mustard Museum's curator, Barry Levenson, who began collecting mustards 6 years ago. Barry's vision has become a well-known tourist site in my district. National news organizations including CBS and CNN have showcased Barry's unusual and interesting collection.

With close to 88 percent of the country choosing mustard as the main condiment for their hot dogs, I think we can all share in the fun of National Mustard Day with the Mount Horeb Mustard Museum.

TRIBUTE TO IAN DONAHUE-VILLANI

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. SMITH of Florida. Mr. Speaker, it is my pleasure to congratulate Ian Donahue-Villani of Hollywood, FL who displayed a commendable degree of honesty and integrity in his acts last month.

Ian is an 11-year-old student at Hollywood Central Elementary School who made a surprising discovery while strolling with his father Steven in West Lake Park on Independence Day. Ian and his father uncovered an ammo box stuffed with over $500,000 in crisp $20 bills. Ian honorably reported the find and turned over the money to the U.S. Secret Service. The U.S. Treasury later informed him that the bills were actually counterfeit. Ian was deservingly named an honorary junior member of the U.S. Secret Service for his noble deed.

Ian is a wonderful example for the rest of America's youth to follow. His honesty and civic-mindedness should not go unrecognized. His family and friends must be extremely proud of his conduct. I commend Ian Donahue-Villani for being an outstanding and admirable citizen.

TRIBUTE OF MARK W. GIBSON

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1992

Mr. COSTELLO. Mr. Speaker, I rise today to applaud Mark W. Gibson, a recipient of the William T. Hornaday Silver Medal. I would like to ask my colleagues to join me in recognizing Mark for being selected for this medal, the highest award for conservation work a scout or explorer can earn.

Mark W. Gibson, an Eagle Scout from Shiloh, IL, is one of six Scouts nationwide to receive this prestigious award. The awards program began in 1914 to encourage Scouts to do conservation work. Mark worked on a variety of projects to qualify and be selected for the impressive Hornaday Award. His projects included building houses to shelter 40 bats, constructing and distributing bird houses, organizing and conducting a lake cleanup, establishing a recycling program for aluminum cans, and renovating a Scout camp nature trail.

For his dedication to conservation and Scouting, I am pleased to offer my sincere congratulations to Mark Gibson for a job well done.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, August 6, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 7

9:30 a.m.

Armed Services

To hold hearings to examine the current situation in Bosnia and appropriate U.S. and western response.

SR-222

Governmental Affairs

To hold oversight hearings on the Chief Financial Officer Act (P.L. 101-576) and Army audit.

SD-342

Joint Economic

To hold hearings to examine the employment-unemployment situation for July.

SD-628

10:00 a.m.

Foreign Relations

To hold hearings on the nomination of Anthony C. E. Quainton, of the District of Columbia, to be Assistant Secretary of State for Diplomatic Security.

SD-419

Veterans' Affairs

Business meeting, to mark up S. 2575, to revise certain pay authorities that apply to nurses and other health care professionals, S. 2973, to improve the care and services furnished to women veterans who have experienced sexual trauma, S. 2774, to revise certain administrative provisions relating to the United States Court of Veterans Appeals, and proposed legislation relating to veterans home loan programs.

SR-418

AUGUST 10

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

To hold hearings on S. 3119, to establish a National Appeals Division of the Department of Agriculture to hear appeals of adverse decisions made by certain agencies of the Department.

SR-332

Governmental Affairs

To hold hearings to examine the health risks posed to police officers who use traffic radar guns.

SD-342

AUGUST 11

9:00 a.m.

Select on POW/MIA Affairs

To hold hearings to review private sector and official efforts on POWs/MIAs.

SR-325

9:30 a.m.

Energy and Natural Resources

To hold hearings on S. 3127, to provide for the energy security of the Nation through encouraging the production of domestic oil and gas resources in deep water on the Outer Continental Shelf.

SD-366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine alleged corruption in the professional boxing industry.

SH-216

10:00 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

Judiciary

To hold hearings on proposed legislation to authorize funds for programs of the Office of Justice Programs, Department of Justice.

SD-226

2:00 p.m.

Foreign Relations

To hold hearings on the nominations of John Frank Bookout, Jr., of Texas, to be Ambassador to the Kingdom of Saudi Arabia, David J. Dunford, of Arizona, to be Ambassador to the Sultanate of Oman, John Cameron Monjo, of Maryland, to be Ambassador to the Islamic Republic of Pakistan, and William Arthur Rugh, of Maryland, to be Ambassador to the United Arab Emirates.

SD-419

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings on proposed legislation authorizing funds for activities of the Independent Counsel Law of the Ethics in Government Act of 1978.

SD-342

2:30 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2505, to revise the Land and Water Conservation Fund Act of 1965 to authorize expansion of the existing entrance fee program at units of the National Park System to all areas administered by the Secretary of the Interior and certain Forest Service recreation areas administered by the Secretary of Agriculture, S. 2723 and H.R. 4999, to revise the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, S. 3100, to authorize and direct the Secretary of the Interior to convey certain lands in Cameron Parish, Louisiana, and H.R. 4276, to revise the Historic Sites, Buildings, and Antiquities Act to place certain limits on appropriations for projects not specifically authorized by law.

SD-366

Judiciary

To hold hearings on pending nominations.

SD-226

Conferees, on S. 1671, to withdraw from certain public uses and transfers to the Department of Energy certain public lands in Eddy County, New Mexico, for purposes related to the Waste Isolation Pilot Plant demonstration project for the disposal of defense radioactive waste. Time and room to be announced.

AUGUST 12

9:00 a.m.

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings on S. 2762, to assure the preservation of the northern spotted owl and the stability of communities dependent on the resources of the public lands in Oregon, Washington, and northern California.

SD-406

Labor and Human Resources

Business meeting, to mark up S. 1622, to revise the Occupational Safety and Health Act of 1970 to improve the provisions of such Act with respect to the health and safety of employees, S. 2837, DES Education and Research Amendments, S. 492, Live Performing Arts Labor Relations Amendments, proposed legislation authorizing funds for the Agency for Health Care Policy and Research, Department of Health and Human Services, proposed legislation relating to breast cancer screening safety, and to consider pending nominations.

SD-430

Select on POW/MIA Affairs

To continue hearings to review private sector and official efforts on POWs/MIAs.

SR-325

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To continue hearings to examine alleged corruption in the professional boxing industry.

SH-216

Select on Indian Affairs

Business meeting, to mark up S. 2975, to provide for the settlement of the water rights claims of the Yavapai-Prescott Indian Tribe in Yavapai County, Arizona; to be followed by an oversight hearing on Indian trust fund management.

SR-485

SEPTEMBER 9

9:30 a.m.

Commerce, Science, and Transportation

To hold oversight hearings in conjunction with the National Ocean Policy Study on implementation of the Fishery Conservation Amendments of 1990 (P.L. 101-627).

SR-253

SEPTEMBER 22

9:00 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations by the American Legion.

334 Cannon Building